



INSPIRED LIVING REPORT

THE FOSCHINI GROUP LIMITED
for the year ended 31 March

2025

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A woman with long dark hair, wearing a flowing, light green, long-sleeved dress, is posing against a textured, light-colored wall. She is looking towards the camera with a slight smile, her right arm raised and hand open. The dress has a ruffled hem and a sheer overlay. The background is a rough, stone-like wall with some shadows.

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Reporting suite

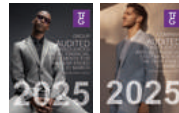
Our reporting suite for the financial year ended 31 March 2025 is designed to deliver impactful communication, meet diverse stakeholder needs and provide streamlined access to all key documents.

Sustainability reports – Reporting to all stakeholders based on data-led, stakeholder-focused material sustainability impacts, offering a view of the Group's socioeconomic and environmental impact, including climate impact, supported by case studies.



[Inspired Living report](#)
[CDP questionnaire](#)
[B-BBEE credentials and scorecard](#)

Financial reports – Primarily reporting to shareholders, investment community and analysts on the Group's financial position and performance.



[Annual financial statements](#)
[Results announcement](#)
[Results presentation and webcast](#)

Integrated annual report – Reporting to shareholders and interested stakeholders on strategy, performance and prospects impacting enterprise value.



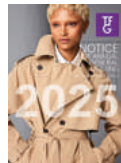
[Integrated annual report](#)

Governance reports – Reporting to all stakeholders on governance structures, processes, remuneration and policies aligned with King IV¹ principles.



[Governance report](#)
[Remuneration report](#)

Shareholder information – Documents for shareholders and investors to consider when voting at the annual general meeting (AGM).



[Notice of AGM](#)
[Proxy form](#)

Reporting frameworks

Our reporting suite was compiled with due consideration to the following reporting frameworks and standards:

- Integrated Reporting <IR> Framework (2021).
- IFRS[®] Accounting Standards.
- King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)¹.
- JSE Limited (JSE) Listings Requirements.
- Companies Act of South Africa, No. 71 of 2008, as amended.
- Companies Amendment Act.

Furthermore, these reports were prepared with reference to the following frameworks and guidance:

- JSE Sustainability Disclosure Guidance.
- United Nations (UN) Sustainable Development Goals (SDGs).

Reporting suite online

Our reporting suite is available for easy viewing and downloading on our website.

Visit www.tfglimited.co.za and click on Investor Relations. The sub-menu will direct you to the available reports and presentations.

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Navigation

This interactive report contains hyperlinks that allow you to find the information you need, including additional details where we reference the website or other reports. For ease of understanding and navigation of the report, icons have been used to indicate where further detail on our stakeholders, strategy and sustainability objectives can be found in the report.

Stakeholders

Our ongoing engagement with key stakeholders improves our understanding of their legitimate needs, interests and how we impact them.



Customers: We serve a diverse customer base across multiple geographies, meeting their evolving product needs through quality, safety, and innovation, especially in a context of constrained disposable income.



Investment community: We have 14 930 shareholders, with 20,9% of shares held outside South Africa. They expect TFG to deliver a positive financial, social and environmental impact.



Employees: TFG has 50 923 employees who are diverse across geographies, gender, race, age and skills. They expect career and personal development, fair remuneration and a culture that nurtures diversity, wellness and safety.



Suppliers: TFG's suppliers includes both large and small businesses operating across a complex global value chain. Our suppliers expect clear and consistent demand planning, fair and timely payment, transparent communication, and the opportunity to build long-term, mutually beneficial relationships.



Government, legislators and regulators: These stakeholders expect TFG to comply with all applicable laws and regulations, contribute to national economic development, uphold labour and human rights standards, and operate with transparency and accountability.



Communities and non-profit organisations: These stakeholders expect TFG to contribute meaningfully to social development, support inclusive economic participation, act responsibly, and partner in initiatives that deliver tangible, lasting impact at a community level.



Environment: Environmental stakeholders expect TFG to minimise our ecological footprint, use natural resources responsibly, reduce waste and emissions, and contribute to the long-term health and resilience of the planet.

Strategy

Our strategy, BOLTS, has five strategic pillars that contribute to our ability to create value over the short, medium and long term.

B Build out

O Optimise

L Leverage

T Transform

S Sustain

Sustainability objectives

Our revised Inspired Living Framework reflects a unified Group approach structured around three key themes: Connect, Share, and Restore.



Connects our people
Fashion that connects us with our people and communities



Shares our commitment
Fashion that shares our commitment to ethical sourcing



Restores our environment
Fashion that restores our relationship with the environment

Navigation

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About this report

Welcome to the Inspired Living report for the year ended 31 March 2025. This report outlines our sustainability journey, highlighting our progress, challenges and commitments for the year, reflecting our continued effort to integrate responsible business practices across our territories.

Development

This report relates to The Foschini Group Limited (TFG or the Group) and covers the TFG Africa, TFG London and TFG Australia business segments. The report was compiled by the TFG sustainability team in collaboration with management teams across our three business segments.

The report relates to the financial year from 1 April 2024 to 31 March 2025 (FY 2025).

Our FY 2025 report incorporates all climate reporting previously disclosed as a separate Task Force on Climate-related Financial Disclosures (TCFD) report.

This change aims to provide our readers with a more integrated view of our environmental, social and governance (ESG) impacts.

We have begun integrating sustainability data from recent acquisitions, including White Stuff (acquired in October 2024) as we work towards full alignment.

The content of this report is informed by our Inspired Living Framework and what we believe will be of interest and value to our stakeholders.

We confirmed the integrity, validity and accuracy of information by relying on internal systems of control, and senior and executive management reviews.

The report was approved by the Supervisory Board's Social and Ethics Committee (SEC) on 28 July 2025.

Materiality

We considered materiality when developing content for our reporting suite. This report focuses on our material impacts and explains how our sustainability strategy responds to, adapts to, or mitigate these impacts.

Read more about our materiality identification process and material sustainability impacts.

ESG World profile

In addition to our reporting suite, TFG reports on sustainability through ESG World, an online platform for sustainability disclosures. This platform enables our stakeholders to access our ESG information in a structured and searchable format.

Our ESG World profile is available on our website: www.tfglimited.co.za.

Forward-looking statements

This report contains certain forward-looking statements regarding the sustainability, results and business activities of TFG, which, by their nature, involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur.

Various factors could lead to actual results or business activities that differ materially from those implied by these forward-looking statements. Accordingly, these forward-looking statements have not been reviewed or reported on by the Group's external auditors.

Timeframes

We use the following classifications when making timeframe references:

- Short term: Current to 18 months.
- Medium term: 18 months to three years and up to five years.
- Long term: Three to 10 years.

For our climate scenario analysis, we apply the following time frames:

Physical climate impacts

- Short term: 2020 to 2035.
- Medium term: 2035 to 2060.

Transitional climate impacts

- Short term: 2020 to 2030.
- Medium term: 2030 to 2050.

While TFG's financial planning operates on shorter annual or medium-term cycles, the use of a long-term horizon for environmental risk assessment allows us to assess the delayed impacts of climate-related changes, which are not always evident in shorter timeframes.

For a comprehensive view of our business, strategy, performance and governance systems, refer to our reporting suite and website: www.tfglimited.co.za.

Comments or further information enquiries can be sent to Investor_relations@tfg.co.za.



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This is TFG

Established in 1924, TFG is a leading fashion, lifestyle and speciality retail group in South Africa, with an increasing presence in the UK and Australia. Our portfolio offers a wide range of speciality products, including fashion apparel, jewellery, cosmetics, sporting apparel, electronics, homeware and furniture.



PURPOSE

The reason we exist

We inspire our customers to live their best lives

VISION

What we want our future to look like

To create the most remarkable omnichannel experiences for our customers

VALUES

The principles that guide us

We put our customers first

We work smart and fast

We do the right thing

OUR STRATEGY

B BUILD OUT diversified, high-brand-equity businesses

O OPTIMISE our sourcing mix and supply chain efficiency

L LEVERAGE our customer data, store footprint, talent and product assortment

T TRANSFORM into a true omnichannel retailer and platform player

S SUSTAIN ourselves and our stakeholders into the future

OUR SUSTAINABILITY OBJECTIVES

Our revised Inspired Living Framework reflects a unified Group approach structured around three key objectives that support a sustainable business model:



Fashion that **CONNECTS** us with our people and communities



Fashion that **SHARES** our commitment to ethical sourcing



Fashion that **RESTORES** our relationship with the environment

We adopt an integrated approach to identifying focus areas and initiatives that advance sustainability across our value chain. Read more about our [sustainability strategy](#).

Sustainability is fundamental to how we work. Through our Inspired Living Framework, we bring this to life with three clear objectives: fashion that connects us to our people and communities, shares our commitment to ethically source and restores our relationship with the environment.

Our Inspired Living report explores these objectives in detail.



Through our Inspired Living Framework, we prioritise four SDGs across the Group, SDG 8, 9, 12 and 13.



2025 at a glance



Fashion that **CONNECTS** us with our people and communities

- **B-BBEE Level 2** maintained, the highest of any major retailer in South Africa.
- Recognised as a **Top 5 Youth Jobs Contributor** at the Youth Employment Service (YES) Awards, with over R150 million invested since inception.
- **R54 million** contributed by the Group across various organisations.
- **R95,6 million** was invested in enterprise and supplier development.
- **73%** of TFG Africa's employees feel a sense of belonging
- We launched a digital talent management platform to improve employee experience and support managers.
- **4 239** new jobs and workplace opportunities created through our FirstStart programme.



Fashion that **SHARES** our commitment to ethical sourcing

- **100%** of tier 1 suppliers mapped.
- Significant progress on mapping tier 2 fabric mills across all three territories.
- **81,6%** of TFG Africa's apparel units and **46,5%** of homeware and furniture (@home, Jet) is manufactured locally in South Africa and neighbouring SADC countries.
- TFG London, as Ethical Trading Initiative (ETI) members, joined a Community of Practice on Gender-Responsive Human Rights Due Diligence to advance gender equity in our supply chains.
- TFG Africa hosted **10 global roadshows** across key sourcing regions to promote the 10 Codes for Responsible Sourcing.
- TFG Australia was ranked the **most improved** company in the Baptist World Aid Ethical Fashion Report.
- Over **70%** of TFG London's factories audited to SMETA 2 or 4 pillar standards, all achieving Class A status.



Fashion that **RESTORES** our relationship with the environment

- The Group sourced **42,7%** of its cotton more sustainably.
- TFG Africa achieved **80,9%** textile waste recycling through a new centralised process in TFG Design and Manufacturing.
- TFG Africa achieved a **23,9%** reduction in plastic shopping bags procured, all made from 100% post-consumer waste, with over **1,3 million** reusable bags sold.
- Total of **1,6 megawatts** of solar photovoltaic capacity has been installed across TFG Africa's facilities.
- **96%** of TFG Australia's product categories have at least one packaging component that is made from recycled material.
- TFG London **reduced** scope 1 and 2 emissions by **-76%** (target -95%) and scope 3 emissions by **-36%** (target -30%).



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Our impact



Through our RippleEffect community commitment, **33 816 people** that previously had to collect water over long distances, often with safety and health concerns, now have access to clean drinking water. We completed four borehole installation projects. To date, **31 312 KL** water was pumped and **80 jobs** created during the installation.



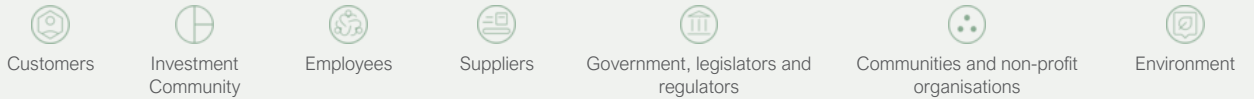
96% of TFG Australia products have at least one packaging component that is made from recycled material. This helps to reduce packaging waste and promotes a circular economy. We submitted our first packaging action plan and made meaningful improvements in better packaging data visibility.



3 800+ young people have been supported through the YES programme since 2022, preparing them for employment through workplace experience and skills development. TFG was selected as a Top 5 Youth Job Contributor at the YES ESG Awards 2024.



South African consumers have a growing choice of TFG brands and products **made locally**. Four out of five apparel items and close to half of our furniture and homeware are now made locally. This drives small business growth, employment and empowerment.



We recycled textile waste that would have gone to landfill by redirecting high quality textile off-cuts from our factories to make **sleeping bags** for homeless people. We work with the TCB Remake social empowerment programme, which led to **47** unemployed women trained and upskilled with basic sewing skills. **220** sleeping bags were allocated to those who need them most.



TFG London achieved a **-27%** reduction in total greenhouse gas (GHG) emissions against their baseline of FY 2020 in line with their roadmap that aims to deliver absolute and long-term net-zero decarbonisation. This will help limit global warming and contribute to protecting, conserving and restoring nature, as well as mitigating pollution with a just transition at its core.



Our investment in renewable energy at TFG Africa is responding to energy supply risks, improving energy efficiency and reducing our emissions. A total of **1,6 MWh** solar capacity has been installed to date.



33 FutureForce bursaries and data science fellowships have supported a highly qualified, specialist talent pipeline for TFG and the industry since inception.



TFG brands such as Markham, The FIX and Exact raised funds and participated in various initiatives in support of awareness against **gender-based violence and femicide** (GBVF).

TFG London joined a new Community of Practice on Gender-Responsive Human Rights Due Diligence and started collating gender disaggregated data across tier 1 manufacturing units.



An estimated **616 million litres** of water was saved thanks to TFG's sourcing via Better Cotton between 1 January 2024 and 31 December 2024. Better Cotton promotes more sustainable cotton production, which is the fibre most widely used by TFG.



We promoted sustainable fashion practices and zero-waste design techniques through TFG Africa's **Sustainable Design Incubator**. Selected designers' ranges were listed on bash.com, providing them access to millions of TFG customers. Designers received training and support in their efforts to use more sustainable fabrics.

A message from our CEO



Sustainability is fully integrated into how we operate at TFG. It is not a parallel workstream, but a core component of our business model. The “S” in our BOLTS strategy represents this, embedded across every pillar, from sourcing and supply chain, to design, local production, and how we engage customers and communities.

A significant milestone this year was maintaining our Level 2 B-BBEE status that reflects our deep and ongoing commitment to transformation, inclusion, and equitable economic growth in South Africa. It underscores the impact of our efforts to empower local communities, support black-owned businesses, and drive meaningful change.

With 81,6% of our apparel locally produced, largely through our own factories and long-standing supplier partnerships in South Africa and the SADC region, we continue to strengthen local job creation, enhance supply responsiveness, and reduce our environmental footprint, in line with the goals of our Inspired Living Framework.

In our efforts to source more responsibly, we increased the proportion of cotton sourced as more sustainable to 42,7%. As members of Better Cotton, the world's largest cotton sustainability programme, we follow a globally recognised standard and support its move toward full farm-level traceability. Better Cotton estimates that TFG contributed to the following benefits in the 2024 calendar year, an estimated saving of 616 million litres of water, the avoidance of 850 kg of pesticides, and supported \$1 million in additional profits for farmers. In the 2024 calendar year, TFG Africa, TFG Australia and TFG London business segments sourced 40%, 51% and 72% of their cotton respectively as BCI Cotton.

Our broader sustainability investments delivered tangible results. More than 3 800 young people have benefited from our YES programme since 2022. Through the Ripple Effect project, over 33 000 people now have access to clean drinking water.

In partnership with Taking Care of Business's Remake programme, we trained 47 women in sewing skills and repurposed waste textiles into 220 sleeping bags for those in need, as part of a broader commitment to 2 500 sleeping bags to alleviate homelessness across Cape Town, Durban and Johannesburg.

We continued to reduce our operational footprint, including improved emissions performance in TFG London, improved and centralised our textile recycling in our owned factories, and packaging improvements in TFG Australia. We also supported community-facing initiatives, including awareness campaigns led by our brands, and design-focused enterprise development through the TFG Sustainable Design Incubator.

The Inspired Living Framework continues to guide our sustainability journey, enabling integrated planning, performance tracking, and transparent reporting across the Group. It supports our ambition to embed sustainability in all parts of the business while empowering regional teams to lead with purpose. This aligned yet adaptable approach enables us to drive progress that is both globally consistent and locally relevant.

Anthony Thunström

Chief Executive Officer

28 July 2025



Social and Ethics Committee report

The Social and Ethics Committee (SEC) plays a key role in driving and tracking TFG's sustainability performance and impact while holding us accountable for practices that are consistent with good corporate citizenship. We rely on our stakeholders to continuously assess and reflect on our progress.



The TFG Inspired Living Framework is at the core of how we do business, make trade-off decisions and engage with our stakeholders.

Sustainability emerged as a prominent area of discord in global geopolitical conflicts in the past year. Contentious views on diversity, climate change and legislated non-financial reporting requirements highlighted diverging priorities, particularly around resource allocation and funding.

The committee remained attuned to the global discourse but maintained attention on TFG's key commitments and areas of focus.

Although the unique circumstances in our different business segments may differ, the Group has a clear framework and objectives that continue to be relevant and critical to achieve.

Committee areas of focus in 2025

- Industry developments such as the focus on transparency and ethical sourcing, the measurement and reduction of scope 3 emissions, greenwashing and extended producer responsibility legislation in South Africa.
- External ratings attributed by rating agencies.
- Momentum in local manufacturing continues and progress was made in sustainable cotton sourcing.
- Accountability, ethics and governance initiatives to improve cyber security and drive legal compliance.
- TFG's B-BBEE scorecard.
- Customer satisfaction and sentiment, including engagement and feedback through various channels.
- Health and public safety indicators across factories and stores.
- The committee considered detailed feedback from TFG Africa, TFG London and TFG Australia on their sustainability strategies and metrics.

Accountability, ethics and governance

Various TFG initiatives further strengthened accountability, ethics and governance including internal communications around:

- Cyber security awareness.
- New conflict of interest policy.
- Gift policy.
- Code of good ethical conduct.
- Publication of the FY 2024 Inspired Living report.

In terms of legal compliance, the committee noted (among others):

- South Africa: Climate Change Act, Companies Amendment Act and Companies Second Amendment Act, Employment Equity Amendment Act and Sectoral Targets, Draft Sectoral Emissions Targets and the R100 million Transformation Fund.
- Australia: Modern Slavery Act, Australian Competition and Consumer Commission Guidance on Greenwashing, Fair Work Legislation (Closing Loopholes) Act (Acts 1 and 2), Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act (i.e. mandatory climate-related financial disclosures) and the Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work).
- UK: Modern Slavery Act, Employment Rights Bill, Digital Markets, Competition and Consumers Act, Green Claims Code issued by the Competition and Markets Authority (CMA) and the voluntary undertakings signed by three UK retailers with the CMA following an investigation into greenwashing.
- EU: Green Claims Directive, Pay Transparency Directive and Forced Labour Regulation



Social and Ethics Committee report

Inspired Living Framework

Our Inspired Living Framework is embedded in our Group strategy, BOLTS, and guided by our core values. Using this framework we align our efforts with stakeholder expectations and long-term business resilience.

The SEC fulfilled its statutory duties in terms of the Companies Act, and its governance responsibilities in line with King IV. This includes overseeing and reviewing the work done to advance our purpose and meet our sustainability commitments.

The committee would like to highlight the following strategic activities of the Group for the year:

Fashion that CONNECTS us with our people and communities

TFG remains committed to transformation, to reflecting the diversity of our customer base and to the communities in which our operations lie. The transformation imperative includes investment and partnerships, dedicated progress with B-BBEE and continued social investment through the TFG Foundation and brand-led impact. This focus delivered a sustained increase in the representation across senior and middle management on our scorecard against the prior year and TFG retained its Level 2 B-BBEE score this year.

We are pleased to report that progress has been made across all five of our 2030 community commitments, and that we are tracking well against our targets.

We believe that our talent is our future, and we are therefore focused on enabling the performance, growth and career progression of all our people. As a key enabler, we launched a new, integrated digital talent management model.

We believe we have a responsibility to address youth unemployment in South Africa through the YES programme and through learnerships and internship programmes at entry-level positions in our head office, distribution centres, manufacturing facilities and stores. We made a meaningful improvement in our youth absorption rates as well as the number of jobs and workplace opportunities, with 1 500 young individuals supported through the YES programme this year.

The TFG Graduate programme welcomed 22 graduates appointed from leading universities into an accelerated development journey. In addition, skills development and engagement is a key focus with 656 939 digital courses concluded during the year. We completed an accessibility audit in four of our buildings to identify areas that could accommodate different types of disabilities.

Fashion that SHARES our commitment to ethical sourcing

We remain committed to strengthening our supply chain transparency, making a marked improvement in mapping our supply chain, with 100% of our tier 1 suppliers mapped across all categories and territories, and good progress made on mapping tier 2 fabric mills.

Responsible sourcing is a key focus area, and therefore it remains important for all of our partners to not only understand but to align with our ethical standards. TFG Africa hosted 10 global roadshows in all our major sourcing regions to drive awareness and education about our 10 Codes for Responsible Sourcing, reaching 584 suppliers and factory attendees.

TFG Australia monitors compliance by conducting at least bi-annual independent third-party social and ethical audits of all tier 1 suppliers.

TFG London, as a member of the ETI, joined a new Community of Practice on GR HRDD, to apply gender-responsive principles in collaboration with other supply chain stakeholders.



Fashion that RESTORES our relationship with the environment

Our materials roadmap, outlining our strategic intent, reflects our continued focus on key priority materials, particularly cotton and an increased emphasis on more sustainable inputs of wood, to support our furniture businesses. Good progress has been made across our territories with their respective material roadmap targets. Through the implementation of a centralised process and improved collection and sorting methods, we have significantly enhanced textile waste recycling efficiency and outcomes.

Future focus areas

- Formulating a comprehensive climate change plan that aligns with South Africa's nationally determined contribution (NDC) for 2025 – 2030.
- Advancing the development of a Group-wide Environmental Policy.
- Executing our materials roadmap with a focus on innovation.
- Tracking implementation and investment against our Integrated Energy Plan (IEP) with a new role dedicated to its delivery.
- Supply chain transparency and compliance through independent third-party audit and certification.

In addition to these future focus areas, more specific initiatives are outlined in the sections of this report that address each of our three overarching sustainability objectives.

I would like to thank my fellow committee members and TFG colleagues for the energy, commitment and passion they shared in my first year as Chairperson of the committee.

I look forward to inspiring more connection, collaboration and positive impacts with the support of our stakeholders in the coming year.

Boitumelo Makgabo-Fiskerstrand

Independent non-executive director and Chairperson of the SEC

28 July 2025

Inspired Living approach

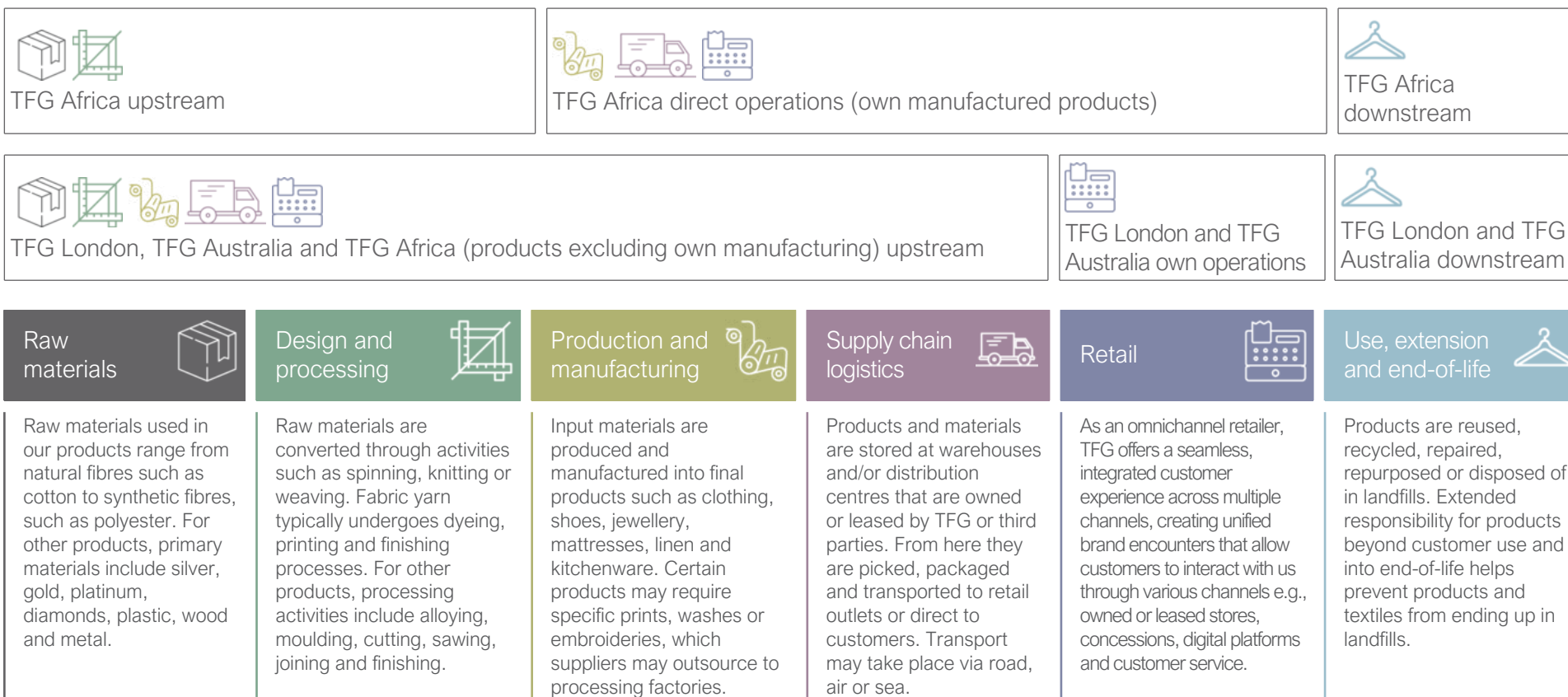
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Our value chain

Our retail-driven value chain spans from raw material extraction to product end-of-life, involving both owned operations and external suppliers upstream and downstream. Understanding this complexity is key to advancing sustainability and ethics at TFG and throughout our supply network.

Our business segments have different levels of control of the value chain components as illustrated.



Read more about our approach to ethical and responsible value chains in the section: [Shares our commitment.](#)



Material sustainability impacts

Our material sustainability impacts reflect the social, environmental and governance areas where our business has the most significant impact, and where we face the most critical risks and opportunities. These are the impacts that matter most to our stakeholders and they guide our strategic focus, resource allocation, and reporting

Guided by industry best practice and global standards, we apply an integrated approach to identifying and responding to these impacts.

Our Enterprise Risk Management (ERM) Framework plays a central role in identifying material risks and opportunities across the value chain. In FY 2025, we enhanced the ERM methodology to include social and environmental dimensions in the impact scale and to reflect risk velocity in the probability scale. The impact scale ranges from inconsequential to catastrophic and considers both financial and impact materiality, including reputational, social, environmental and legal compliance factors. Further detail is available on page 45 in the [integrated annual report](#).

We followed a structured process to identify the most significant material matters to the Group:

1

Conducted research on global standards, sustainability indices, peer disclosures and global commitments

2

Reviewed the outcome of the risk assessments held across the Group

3

Engaged additional stakeholders, including small and medium-sized enterprises (SMEs), through workshops and robust conversations to enhance the outcome from the workshops

4

Held working-group sessions considering materiality and identified the most significant material matters to the Group

These insights guide our reporting and inform integrated, opportunity-driven responses. The integrated annual report focuses on the material matters, risks and opportunities that could affect our ability to create value in the short, medium and long term. These matters are based on their potential to impact our ability to generate value for the Group and their importance to stakeholders.



Material sustainability impacts

- 1 Data protection and privacy
- 2 Climate change and energy
- 3 Corporate governance and ethical conduct
- 4 Responsible supply chains and traceability
- 5 Employee rights, well-being and development
- 6 Water stewardship
- 7 Diversity, equity and inclusion
- 8 Community resilience and social impact
- 9 Material sourcing and circularity
- 10 Waste and packaging lifecycle management
- 11 Chemical management
- 12 Biodiversity

Sustainability risks and opportunities

Our approach to managing sustainability risks is aligned with our ERM Framework as outlined in the integrated report. This section builds on our material sustainability impacts assessment by outlining our **four priority ranked issues**.

	Data protection and privacy	Climate change and energy	Corporate governance and ethical conduct	Responsible supply chains and traceability
Risks	<p>Ethical concerns related to freedom of expression and misinformation.</p> <p>Loss of consumer trust from perceived misuse of personal data.</p> <p>Given the increasing reliance on information technology, we face increased cyber security and ransomware threats, which can lead to financial losses, operational disruptions, data privacy and reputational damage.</p>	<p>Climate impact on weather patterns may cause asset damage.</p> <p>Rising energy prices and volatility in energy markets.</p> <p>Disruption to operations and supply chains from extreme weather events can affect the availability of products and raw materials, extend lead times and drive higher costs.</p>	<p>Increase in demand for more sustainable products with traceable credentials may increase risk of claims for "greenwashing".</p> <p>Regulatory scrutiny and loss of market competitiveness.</p> <p>The Group navigates a complex regulatory environment across all our jurisdictions, with continuous changes to and the adoption of new legislation, as well as jurisdictional differences.</p>	<p>Disruption due to weak or non-resilient supply partners.</p> <p>Lack of transparency and traceability creates operational vulnerabilities.</p> <p>Reputational damage and regulatory penalties by association with unethical labour practices, environmental violations, or ESG non-compliance in our supply chain.</p>
Mitigation	<p>Develop and maintain a robust data governance framework.</p> <p>Conduct regular privacy impact assessments.</p> <p>Train employees on data ethics, protection, and responsible digital communication.</p>	<p>Develop and implement a comprehensive climate risk assessment including strategies to support continuity of operations through appropriate insurance coverage.</p> <p>Set science-based emissions reduction targets.</p> <p>Engage suppliers in climate adaptation and transition efforts.</p>	<p>Regularly review and disclose ESG performance and targets.</p> <p>Foster a culture of ethics and integrity through training and leadership commitment.</p>	<p>Conduct regular social and ethical audits and supplier assessments.</p> <p>Implement digital traceability tools (e.g., blockchain, track-and-trace systems).</p> <p>TFG's Merchandise Supply Chain Code of Conduct and supplier capacity-building programmes.</p>
Opportunities	<p>Enhanced data governance boosts customer loyalty and compliance resilience.</p> <p>Opportunity to lead in ethical data practices and digital trust.</p>	<p>Transition to renewable energy and improved energy efficiency can reduce long-term costs.</p> <p>Strengthening climate resilience enhances brand value and investor confidence.</p> <p>Opportunity to innovate in low-carbon products and services.</p>	<p>Strong governance promotes accountability, transparency, and trust.</p> <p>Integrated ESG strategy attracts investors and talent.</p> <p>Opportunity to lead in sustainable business practices and stakeholder engagement.</p>	<p>Improved transparency strengthens stakeholder trust.</p> <p>Building resilient and ethical supply chains increases reliability.</p> <p>Competitive advantage through sustainable sourcing certifications.</p>
Read more	Risk 1 on page 22 in the governance report .	Risks 2 5 on page 22 and 24 in the governance report .	Risks 6 9 on page 24 and 26 in the governance report .	Risk 2 on page 22 in the governance report .



Our sustainability strategy

During the year, we held a strategy workshop across our territories and our revised Inspired Living Framework reflects a **unified Group approach**, structured around three key objectives: Connects our people, Shares our commitment, and Restores our environment, with clearly defined focus areas that guide our actions.

While the framework sets a common direction, we acknowledge that each territory operates within a distinct context, shaped by local regulations, stakeholder expectations, and environmental realities. As a result, priority areas within the objectives may vary, allowing each territory to focus on what is most material and impactful within their operating environment.

This flexible yet aligned approach enables us to drive progress that is both globally coherent and locally responsive.

The Inspired Living Framework serves as a strategic anchor, enabling integrated planning, performance tracking, and transparent reporting across the Group. It underpins our ambition to embed sustainability in all parts of the business while empowering regional teams to lead with purpose.

Our Framework prioritises four UN SDGs that we contribute to meaningfully.



Material sustainability impacts

- 1 Data protection and privacy
- 2 Climate change and energy
- 3 Corporate governance and ethical conduct
- 4 Responsible supply chains and traceability
- 5 Employee rights, well-being and development
- 6 Water stewardship
- 7 Diversity, equity and inclusion
- 8 Community resilience and social impact
- 9 Material sourcing and circularity
- 10 Waste and packaging lifecycle management
- 11 Chemical management
- 12 Biodiversity

New developments in our strategy this year:



Fashion that connects us to our people and communities

We streamlined our priorities to two clear areas: our people and our communities. The priorities within these focus areas remain the same, promoting greater clarity and strategic alignment.



Fashion that shares our commitment to ethical sourcing

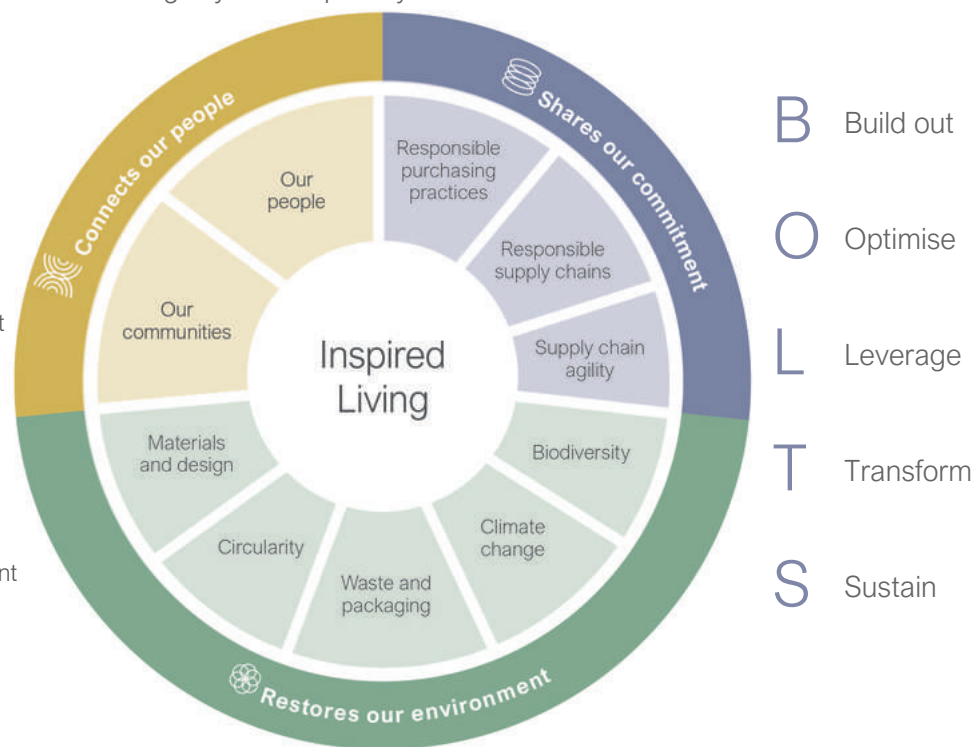
We refined our focus to three key areas: **responsible sourcing** including traceability, rights and empowerment, environmental impact in supply chain, **supply chain agility** covering localisation, quick response, vertical integration and adaptive models like diversification, and introduced a new area, **responsible purchasing practices**.



Fashion that restores our relationship with the environment

We introduced climate change as a new focus area, with energy efficiency and renewable energy now falling within this scope.

Sustainability forms an integral part of our BOLTS strategy. To support BOLTS, our Inspired Living Framework defines three objectives related to fashion that connects our people, shares our commitment and restores our environment. We deliver on these through sustainability focus areas, which respond to TFG's material sustainability impacts. Together, these enable us to contribute meaningfully to four priority SDGs.



Connects our people

Our people	Our talent	20
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	Diversity, equity and inclusion	26
Our communities	Group-led impact	30
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We connect our people with their purpose by creating an inclusive, supportive environment where they can grow, thrive and contribute meaningfully. At the same time, we partner with communities to drive positive social impact, unlock opportunities and build a more equitable future.



Connects our people

We take a clear stand on human rights, equity, and inclusion across our business and value chain. Our focus is on practical action – from enforcing fair workplace practices to partnering with communities and suppliers to drive measurable social impact. Internally, we back this up by investing in employee well-being, ensuring safe working environments, and building diverse teams where people can do their best work.



Our people

- Our talent
- Employee wellbeing
- Diversity, equity and inclusion

Our communities

- Social impact



Our connection points and positions

We outline our position on the key principles listed below, reflecting our commitment to people and positive social change.

Human rights

We are committed to the promotion and protection of human rights as defined by international human rights principles including the United Nations Global Compact Principles, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the Universal Declaration of Human Rights. Group codes and policies support this commitment, including TFG's codes of business ethics and conduct. We are committed to effective processes and controls to safeguard against human rights infringements in the workplace.

Transformation

We are committed to transforming our Group to reflect the diversity of our customer base and the communities we operate in. The broader transformation imperative includes investment and partnerships with government, progress in maintaining and improving our B-BBEE score and continued social investment through the TFG Foundation.

Diversity, equity and inclusion

We are committed to diversity, equity and inclusion through fair access and availability of opportunities. We strive to identify and remove biases and barriers to inclusion by building a sense of belonging and respect.

Health and safety

We are committed to a work environment that is fair, safe and healthy. The health and safety of our employees is protected through health and safety policies. We expect full safety certification and compliance from suppliers and have zero tolerance for harm.

Social impact on our communities

We are committed to giving back to our communities through partnering with key organisations. We continue to develop partnerships with non-profit organisations to strengthen the impact we can collectively make.

| Our people

Our people are our greatest source of inspiration and our most important asset. For them, we create a TFG that is more than a workplace: it is our shared launchpad for growth. As a purpose-led Group, our employees strive to inspire our customers to live their best lives, while making an impact across a whole industry. We are the designers, the makers, the shakers and the teams behind the scenes.

TFG employee profile

TFG Africa

43 052

(2024: 40 927)

TFG London

3 602

(2024: 2 416)

TFG Australia

4 269

(2024: 4 180)

Employment equity
representation in
South Africa

97,0%

Total (2024: 97,0%)

38,7%

Top and senior
management
(2024: 37,4%)

782

employees with
disabilities



Our people

Our talent

Inspiring talent

At TFG, our people strategy is grounded in collaboration and shared accountability, with a strong focus on customer-facing environments. We are committed to workplaces that are inclusive and attract and retain top talent. We want to remain responsive to current and emerging workforce trends, and differentiate our employee value proposition while strengthening our position as an employer of choice.

In South Africa, we use a variety of tools and channels to drive talent management:

- Flexible working contracting was refined to optimise guaranteed hours and pay, reducing labour turnover.
- LinkedIn data insights identified critical skills risks and benchmarked movement trends, improving retention.
- Exit surveys showed positive engagement and advocacy trends, helping improve employee experience.
- Our people system offered scalable learning, career path visibility and internal job opportunities, driving high adoption.

Our new People Connect platform

Our talent is our future. To support performance, growth and career progression, we launched People Connect, a digital talent management platform for all employees and line managers.

The initial rollout focused on learning and enhancing performance management. It encourages shared accountability for goal setting, supported by regular check-ins and a digitised review process.

People Connect provides insight into our talent profile and future skills demand. As we build a view of internal skills, we will strengthen talent and succession planning, address gaps, build careers and create a future-fit team.

We anticipate to complete the full roll-out within two years.

We promoted talent development through:

- Crucial conversation series: An intervention to improve manager-employee conversations.
- Digital leadership courses: Internally developed courses, including Managing the TFG Way, Store Manager's Toolkit, Change Resilience.
- The TFG Graduate Programme: 22 high-potential graduates began a structured journey focused on work readiness, emotional intelligence and stakeholder engagement to become future retail specialists and leaders.

What our employees say

TFG Africa's annual Voice-of-Employee survey delivered valuable insights into our employee experiences.

73% of employees feel a sense of belonging

We expanded participation to include manufacturing teams

87% and higher scores on the new survey topics related to TFG's values

We enhanced data reporting through AI analytics

80%+ response rate which is considered excellent and **78% score for overall engagement** which indicates strong positive sentiment

A decline in career prospect sentiment indicated a lack of clarity on opportunities

A decline in fair reward sentiment related to cost-of-living outpacing salary increases

An area for improvement emerged around managers encouraging input and informal feedback



Key actions taken based on the feedback

The rollout of People Connect as well as our new talent management model and job architecture, directly addresses key survey themes:

- Career management: People Connect identifies possible moves across job families. We aim to elevate performance conversations to include long-term aspirations.
- Profile management: Employees can centrally store qualifications, licences and memberships to showcase their profile.
- Performance management: Goals and behavioural expectations are tracked more effectively, supporting better manager-employee discussions.
- Fair remuneration: The February 2025 Pay Policy improves consistency and progression. A store incentive scheme is being phased in through FY 2026.



Our people

Our talent

TFG Learn Digital Platform

Digital learning enables targeted, fit-for-purpose, cost-effective training. We experienced high levels of engagement with **656 939 digital courses** completed. We recently implemented a cloud solution, Learning Management System (LMS), offering employees a personalised learning experience with AI-driven recommendations based on behaviour, job role, and historical learning patterns.

Remuneration and reward

A Pay Policy was implemented in February 2025, aimed at improving consistency of pay decisions within a structured framework with guiding principles that are fair and equitable. We piloted a new store incentive programme designed to be more inclusive, consistent, and aligned with employee motivation and business performance. The initiative aims to create meaningful value for our store teams while driving shared success across the organisation and has a phased rollout through FY 2026.

Read more about rewards on page 37 in our [governance report](#).

Employee relations

Formal and informal grievance processes:

- Anonymous tip-off line.
- TFG Helpline.
- Engagement forums e.g., consultative forums in Namibia and Botswana and at plant level i.e. distribution centres.
- Engagement with unions in closed-shop areas in manufacturing (Prestige and Tapestry).
- Collective bargaining in Eswatini, Zambia and Lesotho with recognised unions.
- Employee forums in our contact centres introduced this year.

Skills development

Skills development is a strategic priority, enabling a capable, agile workforce that can leverage technology and innovation to meet evolving business demands. All content is developed with a mobile-first approach and is fully adaptable across devices, offering learning that is available anytime, anywhere. Our blended learning model combines instructor-led sessions with rich digital content, offering flexibility in the learning experience.

Importantly, all learning is mapped to specific skills gained upon completion, allowing employees to clearly track their development and apply newly acquired capabilities directly in their roles.

Key training interventions this year:

- *Project Vela*: A Group-wide field and stores project focused on improving the store operating model, unlocking value for the Group and our teams in stores. The Vela academy trained delegates in areas of “leading the TFG way”, “merchandise operations” and “commercial thinking”. A total of **1 424 employees were trained** through the year.
- *Merchant Academy*: Designed to develop a high-performing, future-ready merchandising workforce that can drive customer value, optimise assortments and profitability in an evolving retail landscape. **1 703 learning interventions** were concluded.
- *Project Elevate*: Redesigned to focus on supervisory skills while addressing the fundamentals of retail management to support higher-level entry skills and removing barriers that hinder progression into future supervisory functions. **120 unemployed participants are currently completing their NQF level 4 programme.**
- *TFG Leadership Academy*: There were **205 leaders who achieved completion** across our three programmes.



| Our people

| Our talent

The TFG Prestige Learnership and Work-Integrated-Learning programme

This programme offers a two-year Skills Training and Work Proficiency curriculum. It is designed for unemployed youth with a Grade 10 level of education who do not typically have access to formal employment opportunities without a National Senior Certificate (NSC).

- Year 1 equips participants with foundation skills in garment construction, including cutting, sewing and finishing.
- Year 2 focuses on building proficiency, enhancing speed, accuracy, and overall production readiness.

1 468

participants have been trained on-the-job



The TFG Developing Managers Programme: Retail Dynamics

The programme is designed to build a strong pipeline of supervisory talent within TFG's retail store network, strengthening our overall store management capability. The curriculum provides participants with a solid foundation in practical retail skills, relevant legislative frameworks, and core leadership competencies essential for success in entry-level management roles. Launched last year, this programme now serves as the foundational learning track for all unemployed learnership candidates entering the retail environment.

125

workplace opportunities have been created

Includes training and education up to

NQF level 4



The TFG Graduate programme

Our Graduate programme is designed for high-potential graduates from leading South African universities, offering a structured and fast-tracked development journey that equips them to become future specialists and strategic leaders in the retail industry.

With a focus on critical and scarce skills – including Buying, Planning, IT, and HR Project Management and Analytics – this dynamic programme goes beyond technical training. It empowers graduates with the tools they need to succeed: workplace readiness, emotional intelligence, and the ability to engage meaningfully with diverse stakeholders. These are the capabilities that distinguish exceptional professionals and the kind of future we aim to grow.

For graduates who joined the programme in 2024:

90%

are still employed at TFG

45%

have already been promoted beyond graduate or trainee roles



Our people

Our talent



FirstStart

Creating pathways for youth employment at TFG

TFG supports South Africa's National Development Plan, which identifies youth employment as a national priority. In alignment with this commitment, TFG is dedicated to reducing youth unemployment by creating meaningful workplace opportunities that support learning, growth and long-term employability, through our Learnership, Apprenticeship and Internship (LAI) programme, as well as the Youth Employment Services (YES) initiative.

2 758

Youth workplace opportunities created this year through YES and LAI programmes.

YES initiative

TFG is a proud partner of YES South Africa, a private-sector initiative, providing unemployed youth with 12-month entry-level workplace contracts at our head office, distribution centres, manufacturing sites and stores. We provide young people access to work experience that enhances their long-term employability. Many go on to secure permanent roles at TFG or within the broader retail and manufacturing industries. Our efforts reflect our long-term commitment to national goals and to unlocking the potential of young South Africans.

1 500

YES participants were supported, 200 more than our original commitment this year

3 800 +

YES participants received work experience since inception

57%

went on to permanent employment at TFG in the current year

R150 million

invested in the YES programme since 2021



Communities and non-profit organisations



Employees



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| Employee well-being

Workplace health and safety

We are committed to maintaining safe workplaces and stores that minimise the risk of harm to employees and customers.

TFG Africa's operational health and safety (OHS) management system follows legal requirements from the OHS Act and related laws, aiming to prevent or reduce workplace injuries and diseases.

Workplace health and safety is overseen by the TFG Supervisory Board, with the CEO accountable under section 16 of the OHS Act. The CEO is responsible for allocating appropriate resources as far as is reasonably practicable, to support a safe and healthy work environment.

The OHS policy statement commits to:

- Providing safe and healthy working conditions to prevent work-related injuries and ill health.
- Establishing a framework for OHS objectives.
- Complying with legal and other requirements.
- Eliminating hazards, reducing risks, and making employees aware of risks associated with their activities.
- Continuously improving the OHS management system.
- Consulting and involving workers and their representatives.
- Guiding contractors on TFG sites to follow specific policies.

Key achievements this year:

- We created an OHS portal that contains all relevant information and weekly "toolbox talks". Where employees do not have access to digital devices, health and safety sessions are led by supervisors.
- We adopted a behavioural safety approach with OHS objectives aligned to a risk reduction index, where employees and managers take ownership of site safety.
- We also introduced an OHS agreement that is signed by union representatives and employers in our Prestige and Coricraft factories to comply with general administrative regulation (GAR) 6.

12%

reduction in number of classified injury incidents on duty from 747 in FY 2024 to 656 in FY 2025

90%+

self-compliance attestation is consistently met by stores (TFG Africa)



At TFG Africa we increased our focus on well-being across the seven dimensions of wellness by offering:

- Wellness Days across our head office campus, distribution centres and factories.
- Enhanced trauma counselling and Employee Assistance programme.
- Earned Wage Advances via Paymenow with great success in helping our employees meet unexpected expenses.
- Enhancements to the Hardship Loans Policy so employees are supported in times of need.
- Chronic medication assistance for employees who have declared disabilities at our factories.

Our people

Employee well-being



Employee-friendly work environments at TFG Australia

In May 2024, TFG Australia moved into a new head office. The following changes were made to enhance the sustainability of the office, and to promote team health and well-being:

Energy reduction

- Installed solar panels.
- Ongoing monitoring of usage for efficiency opportunities.

Travel and commuting

- Improved video conferencing facilities to reduce the need for corporate travel.
- Changing rooms, lockers and shower facilities.
- Secure bicycle parking.
- Electric charging port outside the building.

Lighting and screens

- Screens on a timer to turn off at weekends.
- LED lighting.
- All lighting and air conditioners on movement sensors.

Waste reduction

- Allocated space for storage and organisation of textile waste and charity contributions.
- Improved recycling facilities.
- Removed bins from individual desks.
- Facilities to recycle e-waste and batteries.
- Encouraged transition to paperless processes (e.g. invoices, leases, receipts).
- Reduction in volume of incoming mail, encouraged paperless where possible.
- Increased amount of reusable cutlery and kitchenware to discourage single-use plates/cups, etc.

Team Health and Well-being

- Spacious and easily accessible spaces and meeting rooms.
- Private spaces available for personal or confidential meetings.
- A wellness room that can be locked for privacy (e.g. religious reasons, breastfeeding, personal time, etc.).
- Indoor and outdoor kitchen/dining facilities.
- Increased greenery and common areas.
- Gender inclusive and accessible change rooms and bathrooms.
- Height adjustable desks.
- On site daycare.
- Upgraded kitchen and cooking facilities.



| Our people

| Diversity, equity and inclusion

We maintain a workplace culture that promotes diversity and inclusivity, attracting and retaining top talent while advancing transformation. We work to remove biases and barriers by building a sense of belonging and respect through dedicated initiatives. This year, we supported this commitment through the following initiatives:

- **Diversity, Equity and Inclusion (DEI) Training:** Markham and Fabiani head office and field employees participated in DEI interventions facilitated by a registered non-profit organisation.
- **Disability Audits:** We completed an accessibility audit in four TFG Africa buildings, including the head office, to identify areas that could accommodate different types of disabilities. This will give us a better understanding of the changes required to buildings to enable improved access for all employees

Our Diversity, Equity and Inclusion Policy includes these principles:

- Eliminate all forms of unfair discrimination.
- Reward diverse, equitable and inclusive leadership, practices, innovation and solutions.
- Promote respectful communication and cooperation.
- Encourage teamwork and representation of all groups and perspectives.
- Promote inclusion of previously marginalised groups.
- Monitor, evaluate and report on initiative impact.

Our National Employment Equity and Skills Development Forum meets quarterly to address diversity, equity and inclusion issues raised across TFG Africa.

66%

of the workforce
is female

97%

employment equity
representation (South Africa)

45%

of our workforce
are younger
than 30 years

1,8%

of the workforce have
declared disabilities
(South Africa)



| Our people

| Diversity, equity and inclusion

Transformation and employment equity

In South Africa, corporate commitment to transformation is fundamental and TFG takes its responsibility in this regard seriously. We have demonstrated a longstanding commitment to the objectives of B-BBEE. Our integrated application of these principles in our operations underscores our commitment to sustainable growth, social development and establishing accessible economic opportunities for all segments of society.

TFG maintained its Level 2 B-BBEE rating, the highest of any major listed retailer.



Our B-BBEE certificate is available on our website: www.tfglimited.co.za.

Management control

There has been an overall improvement in Black representation in senior and middle management positions due to set diversity initiatives, succession planning and talent management processes. Black female representation in senior management and middle management has increased while Black female representation at junior management has remained similar to the previous reporting period. Our National Employment Equity and Skills Development Forum meets quarterly and includes a cross-section of employees.

Skills development and YES programme

The Group supports job creation and skills development by investing in key skills required to sustain and grow the retail sector and our own workforce. In particular, youth, through learnerships, internships, and a focus on people living with disabilities. TFG Africa's participation in the YES programme created 1 500 workplace opportunities and YES learner appointments increased by 25% when compared to the previous financial year.

Enterprise and supplier development

Our enterprise and supplier development goals aim to support a number of aligned small, medium and micro enterprises to scale further. Our recognised spend allocated to black-owned businesses of R95,6 million for the financial period, up from R74,5 million in the prior year. TFG Africa spend with Black-owned EMEs and QSEs exceeded R1 billion in the current year, in line with last year.

Socioeconomic development

TFG Africa partners with a range of NPOs to support communities in need through targeted economic and social upliftment initiatives and disaster relief efforts. More than R28 million was recognised in the form of contributions over the year, up 40% from the prior year.

| Our people | Diversity, equity and inclusion



| A success story for disability at TFG Prestige in Johannesburg

TFG identified an opportunity to provide employment opportunities, skills development and work experience for young people with disabilities in Johannesburg. We established the TFG Prestige initiative in collaboration with St. Vincent School for the Deaf.

Starting with 49 deaf employees on learnerships, we now have 135 deaf or hearing-impaired employees. Since 2021, learners have successfully completed a NQF level 2 (sewing and finishing) learnership with 100% absorption rate. We currently have 19 students on a learnership and 32 learners completing workplace integrated learning (WIL). In FY 2025, 34 students were absorbed as permanent employees.

The factory initially produced blankets and through these programmes the employees have acquired skills and technical competencies to produce more complex garments.

Leadership development is a key focus in career progression. We are upskilling employees and learners to become team leaders and advance to supervisory roles, with three additional supervisors currently in development for leadership positions.

Support initiatives

- TFG, in collaboration with NGOs serving the deaf community, offers various wellness programmes at the factory.
- A social worker who speaks sign language, serves as an HR representative and provides dedicated support to employees and their families.
- As the official language is sign language, all skilled resources that join the factory must become fluent in this language.

TFG is proud of the growth and progress achieved by Prestige Johannesburg's employees and looks forward to continued success and expansion of the factory.

Our communities

Our 2030 community commitments (TFG Africa)

TFG has set ambitious 2030 community investment targets focused on critical national priorities – job creation, youth skills development, access to clean water, support for small businesses, and circularity. These are not just corporate goals, they are imperatives for the future of our country and matter deeply to our customers. Through both group-wide and brand-led initiatives, we are making tangible progress and scaling our impact in the communities where we live and trade.



ExtraThread

This year: R43,5 million worth of clothing contributed

Cumulative: R68 million

Target: R100 million by 2030

Clothing and fabric are contributed to several non-profit organisations in South Africa. These organisations support circularity and empowerment through initiatives such as sewing classes, skills training, and programmes for unemployed youth and women.



Communities and non-profit organisations



Suppliers

Read more [here](#).



FutureForce

This year: 15 bursaries and data science fellowships awarded

Cumulative: 33

Target: 100 bursaries by 2030

TFG's Data Science and Leadership Fellowship accelerates the development of critical skills by supporting exceptional young South Africans. The fellowship funds the first and second years of study towards an MSc in Data Science.



Communities and non-profit organisations



Employees

Read more [here](#).



RippleEffect

This year: 19 916 South Africans have access to clean water

Cumulative: 33 816

Target: 100 000 by 2030

TFG provides access to safe drinking water to underserved communities through solar-powered boreholes funded by shopping bag sales. By reducing long, unsafe journeys for water, the initiative improves health, supports education, and creates local jobs.



Communities and non-profit organisations



Employees

Read more [here](#).



FirstStart

This year: 4 239 new jobs and workplace opportunities added

Cumulative: 6 620

Target: 15 000 by 2030

TFG provides 12-month workplace opportunity contracts to unemployed youth in South Africa through the YES programme. These entry-level roles provide valuable skills, experience and a pathway to long-term employment within TFG or the broader industry.



Communities and non-profit organisations



Employees

Read more [here](#).



E/Scalator

This year: R60 million invested in small businesses, suppliers, and projects

Cumulative: R113,8 million

Target: R250 million by 2030

Our commitment to investing in small businesses, suppliers, and projects continues. We also provide support in various forms to existing empowered suppliers.



Communities and non-profit organisations



Suppliers



| Our communities

| Group-led impact



ExtraThread:
Clothing and fabric with
purpose

Through our brands and TFG Design and Manufacturing, we supported several organisations with surplus clothing and materials. This reduces landfill waste and promotes skills development. One of the beneficiaries is Yes We Can South Africa Foundation, which has provided sewing and entrepreneurial training to over 1 500 women from disadvantaged Cape Town communities.

Additionally, through our partnership with Taking Care of Business, our brands contributed clothing and fabric to support their Resell and Remake programmes, which equips unemployed women with the skills and resources they need to unlock their potential and access to the circular economy.

In the past year, TFG contributed over

R43,5 million

in clothing and materials.




Communities and non-
profit organisations



Suppliers



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| Our communities | Group-led impact



FutureForce: A pipeline through bursaries

TFG supported a range of youth education initiatives for

21 individuals this year.

The Fedisa Fashion School Bursary Partnership supports the development of aspiring fashion professionals in South Africa. Graduates of the programme play a key role in strengthening TFG's fashion design and buying talent pipeline.

The TFG Bursary Programme in partnership with the University of the Western Cape (UWC), creates academic pathways for talented students in high-demand fields such as data analytics, computer science, information technology, and BCom Accounting – empowering them to build meaningful careers within TFG.

50 bursary students have been offered workplace opportunities at TFG since 2022

The TFG Data Science and Leadership Fellowship is designed for exceptional young South Africans who demonstrate high levels of innovation, creativity, and leadership. The Fellowship provides comprehensive support and funds both the first and second year of study toward a research or coursework MSc in Data Science at five leading South African universities.

In the past year, TFG supported

12 data science fellowships. From our first intake, two graduates have since been employed by TFG, contributing their specialist skills to the business.




Communities and non-profit
organisations



Employees



Our communities

Group-led impact



RippleEffect: More water for more people

Our RippleEffect community commitment is about bringing clean water closer to communities that need it. Our goal is to provide fresh drinking water to 100 000 South Africans by 2030.

Since launching the project in 2024, four borehole installation projects have been completed in communities that previously had no access to fresh water, where residents faced long and often unsafe daily journeys to collect it. These projects have benefited the villages of Hlangwane in Mpumalanga, and Kolweni Cluster, Mhakolweni, and Mayeni in KwaZulu-Natal. These projects have been funded by a portion of the proceeds from the sale of shopping bags in our stores.

As part of the borehole projects, we establish local committees to monitor and oversee the sustainability of the project, safeguarding this critical resource.

Together with our partners, we installed a UN award-winning remote monitoring unit, enabling us to track daily energy and water output.

19 916 people gained access
to clean drinking water this year

31 312 kilolitres of water
pumped this year

33 816 people gained access
to clean drinking water since inception

80 community members received
skills development training since inception




Communities and non-profit
organisations


Employees



| Our communities

| Brand-led impact

Each TFG brand supports a cause aligned with their customers and merchandise categories. Key highlights include:

MARKHAM

Partners with What About The Boys? to combat GBV by promoting positive masculinity among high school boys. Contributions are made from the sale proceeds of branded t-shirt and sweaters. R1,5 million was allocated to this initiative in the current year.

FOSCHINI

Partners with MoveAfrica Foundation to provide young girls in rural areas with access to sanitary wear and education through their period poverty initiative.

EXACT

Partners with the Kolisi Foundation and the Saartjie Baartman Centre in support of eliminating GBV in South Africa. Contributions are linked to the sale of pepper spray and tote bags in stores.

TOTALSPORTS

Partners with Safe-Hub which serves as a local response to the need for a safe space to play and learn. Since its establishment Safe-Hub evolved into a global platform for youth and community development.

FABIANI

Partners with The Children's Hospital Trust to support the Red Cross War Memorial Children's Hospital in Cape Town. A 15-year collaboration that includes fundraising through their "Last Red Buttonhole Project" with the proceeds from the sales of the shirt going towards caring for sick children.

❄️ ROCKWEAR

Through the ongoing partnership with the National Breast Cancer Foundation, Rockwear support the vision of Zero Deaths from breast cancer. Our Care For Your Pair campaign raises awareness and funds for vital research, with customers able to contribute in-store and online.

CONNOR

As Principal Partner of suicide prevention charity R U OK?, Connor supports mental health awareness through merchandise sales and direct contributions in-store and online. 100% of proceeds from R U OK? merchandise go towards funding the Community Ambassador program, which trains volunteers to engage with schools, workplaces and communities across Australia. In 2024, Connor and AXL&Co contributed over \$1 million, reinforcing the power of conversation in saving lives and supporting those facing mental health challenges.



Our communities

Brand-led impact

Foschini contributed to menstrual health

In many traditional communities, menstruation is still not openly discussed, requiring extra care to encourage conversations and promote menstrual products. Many girls in South Africa miss up to a week of school monthly due to menstruation, which negatively impacts their futures.

In partnership with Move Africa, Foschini is helping to address period poverty in a sustainable manner. Thanks to Foschini's investment, 3 000 girls no longer have to miss school during their periods. In 2024, Foschini distributed 1 500 period packs, each containing a menstrual cup and three reusable pads that last up to five years. In addition, menstrual health workshops were conducted in schools. In 2025, the initiative expanded to reach another 1 500 girls, with the product range growing to include period panties, offering a more comprehensive pack to suit individual needs. Schools were supported in KwaZulu-Natal, Johannesburg, the Eastern Cape, North West, the Western Cape, Limpopo, Free State and Northern Cape.

3 000

girls received period packs and attended menstrual health workshops since 2024

24

women were trained to facilitate menstrual health education workshops, which provided temporary employment and work experience

750 000

estimated school days saved from being missed collectively over the next five years for the 3 000 girls impacted



| Our communities

| Brand-led impact



| Exact supports the fight against Gender Based Violence through fashion

Exact partnered to tackle gender-based violence (GBV).

- A denim drive encouraged employees and customers to contribute pre-loved denim to the Saartjie Baartman Centre for Women and Children. Survivors upcycled the denim into beautiful tote bags, gaining sewing skills and a means to generate future income. The initiative promotes independence and hope while supporting circularity by reducing fabric waste, raising awareness and driving behavioural change. The bags were sold at TFG head office, with all proceeds contributed to the centre.
- Following a successful trial in 30 stores, pepper sprays, an effective self-defence tool, were rolled out nationwide and online, now featuring the GBV Helpline on the packaging. This year, 10 940 units have been sold and the helpline continues to be accessed by those in need. Over R400 000 has been raised to support GBV prevention and survivor support programmes. Plans are underway to expand the denim drive to key hubs nationwide.
- Exact also partners with the Kolisi Foundation, which drives systemic change through sport and education. Contributions are made via a percentage of in-store sales of the pepper spray and tote bags, along with till-point contributions.

Our communities

Brand-led impact

Tarocash and Make-A-Wish® inspire hope

As a proud partner of Make-A-Wish®, Tarocash is committed to making a difference, because every child deserves to dream big. Since 1985, Make-A-Wish® Australia has been on a mission to turn dreams into reality for children battling critical illnesses, thereby uplifting, empowering and reminding us of the power of hope. Each wish is tailored to the child's imagination, from becoming a superhero for a day to swimming with dolphins or flying in a helicopter.

Together, Tarocash and Make-A-Wish® have raised over AUD1.4 million through events such as Bake-A-Wish, point-of-sale contributions and regular awareness drives across our social media channels. Thanks to our customers, employees and supporters, we are able to help make more wishes come true.

Over the past year, the Tarocash store network contributed more than AUD434 000 through in-store point-of-sale, World Wish Day celebrations and a dedicated day of support. This generosity helped grant 439 wishes to children across Australia diagnosed with more than 100 unique medical conditions.

This year also marked a further milestone: over AUD1 million raised to support Make-A-Wish® and critically ill children since the beginning of Tarocash's partnership.

We continue to work closely with Make-A-Wish® in Australia and New Zealand to identify new opportunities and explore how we can further support the work they do.

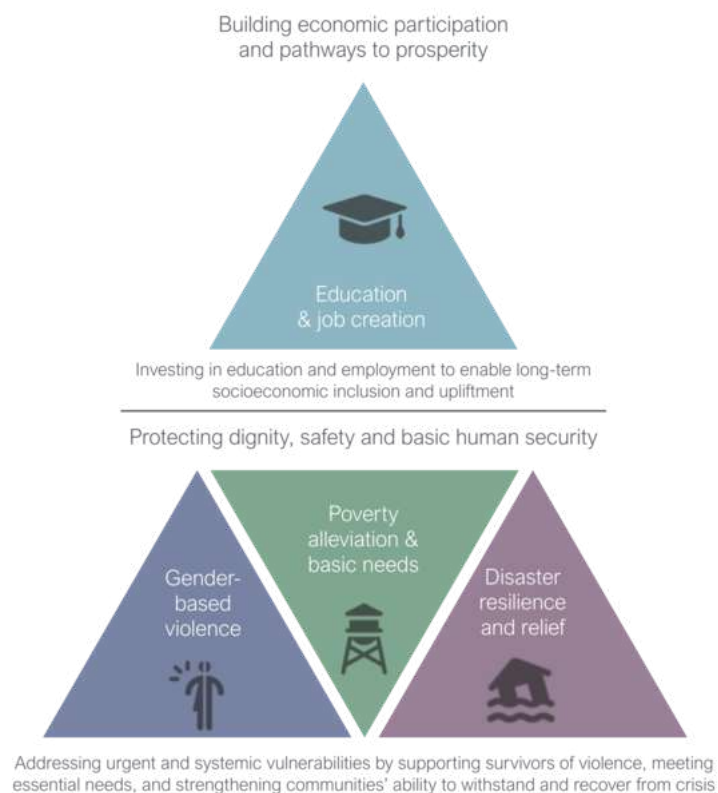


| Our communities

Looking forward: evolving our TFG Africa social impact strategy in FY 2026

Over the past few years, our community efforts have supported a broad range of initiatives across our brands, laying a strong foundation. We now have an opportunity to focus our efforts for greater impact, improved measurement, and stronger alignment to business value. We are shifting to a more **strategic, impact-driven model** that addresses systemic barriers to economic participation, and positions TFG as a responsible business leader. We will continue the work we are doing but with clear priorities of creating access to jobs and livelihoods, supporting youth through bursaries in education, addressing key barriers to participation in the economy, such as GBV, disaster resilience and relief, and addressing poverty and unmet basic needs. The following framework outlines our refreshed, Group-wide approach to community investment and social impact, built around a shared ambition across brands.

A unifying framework for Group and brand impact



Shares our commitment

We build ethical, agile and inclusive supply chains that protect people, reduce risk and strengthen local economies.

In this section:

Each of our territories has a unique supply chain. We will outline the key sourcing and supply focus areas for each one, including responsible supply chains, responsible purchasing practices, and supply chain agility.

TFG Africa	41
TFG London	46
TFG Australia	50
Future focus areas	53



Shares our commitment

The dynamics and regulations related to supply chains vary significantly across our three operating segments. For this reason, we report in this chapter per segment, highlighting unique challenges, initiatives and progress.



Responsible purchasing practices

Responsible supply chains

Supply chain agility



We are committed to maintaining ethical, transparent value chains that uphold human rights, protect the environment and drive responsible sourcing. In South Africa, our focus is on building a robust local manufacturing base capable of responding swiftly to changing consumer demands. This includes supporting enterprise development, broadening our supplier base, and advancing our B-BBEE objectives. A transformed, agile and resilient supply chain is central to enabling diversification and strengthening our responsiveness across categories and segments.

Our connection points and positions

Human rights

We are committed to protecting human rights and improving labour standards for all the people in our supply chains, from farmers to seafarers. We promote the protection of human rights through TFG's merchandise supply chain code of conduct and TFG's non-merchandise terms and conditions (both local and international) as well as applicable local and international laws.

Modern slavery

Modern slavery continues to affect millions of people around the world and recognising this is the first step to developing a granular plan to detect and prevent its occurrence.

Verticalisation and localisation

We are committed to growing local manufacturing via TFG Africa's investment in its own local factories as well as various strategic cut, make, and trim (CMT) factories, which provide the Group with significant quick response capability. By integrating into product value chains, we can positively impact small businesses through skills development while creating jobs.

Fair contracting and supplier development

We are committed to fair contracting and improved purchasing practices that support enterprise and supplier development, with a focus on Black-owned EMEs and QSEs (small businesses). Small businesses benefit from shorter payment terms, and we aim to increase spending with Black and/or female-owned suppliers.

Traceability and transparency

We recognise that increasing supply chain traceability and transparency continues to play a pivotal role in driving change, as well as responding to risks.

Social and ethical compliance

We uphold social and ethical compliance across our supply chain through regular audits, supplier engagement, and alignment with international frameworks where relevant.

Shares our commitment

Global supply chain risks and challenges

Global supply chains face growing risks, from human rights and environmental impacts to geopolitical tensions and trade disruptions. Responsible purchasing is key to protecting workers, improving conditions, and ensuring long-term stability. In response, we are strengthening our investment in local and regional manufacturing to increase resilience and reduce reliance on distant supply sources

The risk of modern slavery in our supply chain remains a concern, and the following outlines key risks that may occur:

- Forced labour.
- Human trafficking.
- Safe and healthy working environments.
- Sustainable livelihoods.
- Gender and discrimination.
- Debt bondage.
- Migrant labour.
- Child labour.
- Land rights.
- Loss of livelihood and stranded communities.
- Rights and access to water.
- Precarious work.

These risks may arise from a range of factors:

- Complex global supply chains, often lacking in transparency and traceability.
- Possible inclusion of children in harmful and dangerous work.
- Use of migrant labour who are at more risk of exploitation.
- The majority of garment workers are women, who face higher risk of exploitation.
- Lack of education and awareness makes individuals more susceptible to exploitation.
- Areas of poverty and economic vulnerability.

Group social and ethical compliance

We contract and engage with suppliers based on responsible sourcing principles that guide expectations and relationships. These principles have been defined by each business segment based on regulatory requirements and align with international frameworks where relevant.

Before establishing a relationship, we set out our commitment to ethical trade and all the requirements our suppliers must meet to support this aim. We are committed to working with suppliers who meet our requirements and are aligned with TFG's Merchandise Supply Chain Code of Conduct. Through ongoing collaboration, we aim to support mutual business success while maintaining high standards and improving working conditions where needed.

We have a well-developed onboarding process and require suppliers to meet mandatory compliance criteria such as social and ethical audits, and health and safety certification.

We have a solid understanding of suppliers' capacity and capabilities to avoid situations where suppliers make trade-offs, such as exploiting workers to meet unrealistic prices or lead-times.

We discuss payment schedules and margins with suppliers and we consistently make timely payments.

We ask suppliers about their use of subcontractors, recruiters and brokers to have visibility of supply chains.

Alongside setting out a clear commitment on human rights and labour standards, we recognise it is only through meaningful relationships with our supply chain partners that we can begin to better understand what is required to improve working conditions and environmental practices in our value chain.

Shares our commitment

TFG Africa

Value chain overview

The TFG Africa value chain shows a high level of verticalisation in terms of own operations. Although design and processing form part of upstream activities, many of our products are designed through our in-house design capability. A significant proportion of our manufacturing is conducted by our nine owned factories, and through strategic partnerships with various independent CMT factories.

Products are distributed through insourced distribution centres using a model of own and outsourced transport.

We have stores in South Africa, Namibia, Botswana, Lesotho, Zambia, Eswatini as well as digital channels. We have 28 brands that span five stacks: Sports and lifestyle, Ladies and family, Mens fashion, Value and Speciality.

The TFG Africa value chain requires diverse skill sets and capabilities. While some activities are conducted by our own employees and facilities, others are outsourced to local and international suppliers. These suppliers may use subcontractors in their operations. Our sourcing is concentrated in 12 countries, with most of our purchased volumes coming from tier 1 suppliers in South Africa, SADC countries, China, Bangladesh, and India.

Traceability

Traceability is a key focus area in our responsible sourcing strategy, enabling us to build a more transparent, ethical, and resilient supply chain. We are actively driving efforts to improve visibility and accountability across all tiers.

We have adopted a structured, tier-by-tier approach to traceability, supporting supplier engagement while identifying and managing environmental and social risks. For tier 1, we have implemented a 12-month compliance journey, with all local, regional, and import suppliers required to complete an independent third-party audit by the end of next year. Suppliers are held fully accountable for all declared manufacturing sites.

Audits are assessed using a compliance scoring matrix. Suppliers must implement corrective action plans for any non-compliance and maintain ongoing compliance across all facilities.

Our approach is collaborative, with active support and engagement provided to suppliers and relevant stakeholders throughout the process.

TIER 1

Primary production site

Fully mapped

TIER 2

Fabric mills

44% mapped

TIER 3

Raw material processing

Not yet mapped

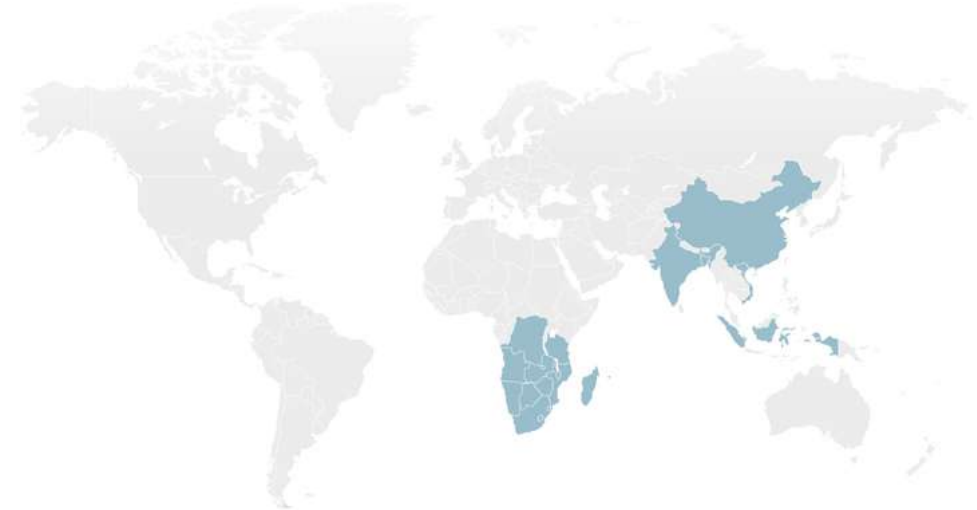
TIER 4

Raw materials

Not yet mapped

This value chain represents TFG Africa excluding Tapestry Home Brands and international brands.

TFG Africa sourcing



100%

of our 537 tier 1 suppliers and 1 195 manufacturing sites have been mapped
(2024: 100% clothing and soft accessories)

82%

local and regional manufacturing across apparel
(2024: 79%)

10

in-person supplier social and ethical compliance roadshows were conducted across all major sourcing regions

93%

of top 100 suppliers are SEDEX members
(2024: 84%)



Shares our commitment

TFG Africa


Human rights and empowerment

10 Codes for Responsible Sourcing

The 10 Codes for Responsible Sourcing, aligned with SA8000 and supporting the TFG Merchandise Supply Chain Code of Conduct, were rolled out through 10 global supplier roadshows.

1. **No forced, bonded or child labour** – TFG and all its subsidiaries will not tolerate any form of labour exploitation. The country's legal employment age must be adhered to.
2. **Fair pay and working hours** – Wages paid for hours worked must at least meet the national prescribed minimum wage rate or collective bargaining agreement, including a premium rate for overtime hours worked.
3. **Health and safety** – All workers must be provided with a clean and safe work and rest environment supported by regular fire and safety training.
4. **Employment requirements** – National government regulations are to be met and supported by a clear and understandable employment contract.
5. **Respect for freedom of association** – All workers must have the right to form or join a union and to freely elect their own representative.
6. **Transparency** – All manufacturing sites must be declared and hold a valid, accredited third-party social and ethical audit on successful completion of the TFG compliance programme.
7. **No bribery or corruption** – TFG and all its subsidiaries will not tolerate corrupt practices or partake in any bribery with suppliers and/or service providers.
8. **Respectful working environment** – An inclusive working environment must be promoted. No employee will be discriminated against by gender, religion or nationality.
9. **Responsible sourcing** – Materials must not be sourced from high-risk areas, nor contain harmful chemicals, or be tested on animals during or after production.
10. **Reduce environmental impact** – Sustainable initiatives have to be maximised to decrease carbon footprints and to assist in adhering to the environmental laws, standards and regulations.



A photograph of two Black women with long braids looking at a tablet together. The woman on the left is smiling and looking down at the tablet, while the woman on the right is looking at the tablet with a slight smile. They are both wearing large hoop earrings. The woman on the left is wearing a blue denim shirt, and the woman on the right is wearing a white shirt with large black polka dots.

Shares our commitment

TFG Africa

New supplier onboarding

Two-phased process

We follow a two-phased onboarding protocol, which we plan to transition to a digital trade portal in the short term.

Phase 1 focuses on mandatory business requirements:

- The Trading divisions submit a formal request to support the onboarding of a new supplier.
- Once approved, mandatory documentation is requested from the supplier, including a signed TFG Merchandise Supply Chain Code of Conduct.
- Upon successful vetting, the supplier is registered on our system and required to disclose details of their intended manufacturing sites, including specific locations.

All new suppliers are required to declare all tier 1 manufacturing sites proposed for the production of our products. The compliance team evaluates each site's suitability, including production capacity and capability to align with the quality and operational standards of our respective brands.

Phase 2 focuses on manufacturing compliance requirements:

- Suppliers are required to submit policies, reports and certificates relevant to the declared active manufacturing sites, including:
 - Factory self-assessment questionnaires.
 - SEDEX Membership.
 - A social and ethical audit in accordance with SEDEX Members Ethical Trade Audit (SMETA) principles.
 - All available sustainability related policies and certifications.



Shares our commitment
TFG Africa

Social and ethical compliance

We align our social and ethical compliance approach to the SA8000 Compliance Standard, which includes human rights as a key focus area. The latest version of the standard supports a "Protect, Respect, and Remedy" framework.

We are committed to the UN Guiding Principles on Business and Human Rights, which clarify the respective roles of governments and businesses in upholding human rights. While governments are responsible for protecting human rights through policy, legislation, regulation and enforcement, businesses are expected to respect human rights by avoiding and addressing any adverse impacts they may cause or contribute to. These principles underpin our continued focus on human rights due diligence across our supply chain.

TFG Africa's suppliers are required to accept the TFG Merchandise Supply Chain Code of Conduct, which includes the 10 UN Global Compact principles in the areas of human rights, labour, the environment and anti-corruption. Suppliers must be tax compliant, have active SEDEX (Supplier Ethical Data Exchange) membership, and conduct an independent social and ethical compliance audit at least once every two years. This year, we developed a TFG social and ethical audit protocol which has been validated by our third-party audit partners.

Read more about our [10 codes for responsible sourcing](#).

Our ethical framework

Developing a transparent and ethical supply chain

**Environmental
impact**

Responsible raw material sourcing
Environmental considerations throughout the supply chain

**Animal
welfare**

Animal welfare
Recognises certifications with improved animal welfare measures across all five domains

**Human
rights**

Human rights and dignity
Zero tolerance approach to unethical conduct

**Health and
safety**

Health and safety
Worker health and safety protocol is non-negotiable



Shares our commitment

TFG Africa

Creating an agile supply chain by growing our local manufacturing capability

We actively contribute to the local economy to drive positive social and economic impacts:

- Local business activity supports job creation, empowerment, and poverty reduction.
- We invest in skills development for employees, interns, graduates, and youth, supporting the local textile industry and the South African Retail-Clothing, Textile, Footwear, Leather Masterplan (R-CTFL).
- Our quick response model ensures agility, timely delivery, and alignment with evolving customer demand.

R95,6 million

recognised spend allocated to Black-owned businesses

> R1 billion

spent with Black-owned QSE's and EME's

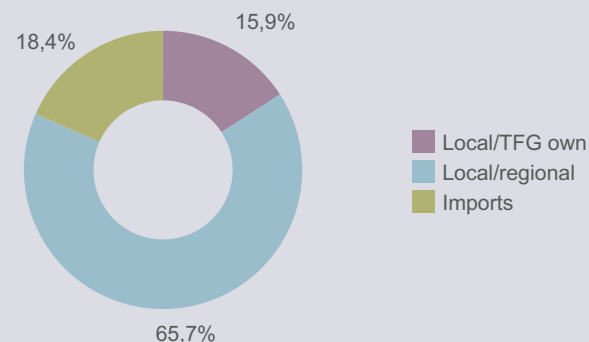
Prestige Clothing leads in South Africa

We increased our operations this year through the acquisition of Saisha's Trading into Prestige Clothing.

Prestige Clothing is now South Africa's largest, formal clothing company with over 5 000 employees and students. We currently have 1 365 learners enrolled as part of our first year of the National Skills Fund learnership programme, the largest of its kind in the country.

Prestige Clothing achieved the highest participation rate (87%) and employee satisfaction score (83%) in TFG's 2024 Voice-of-Employee survey.

Own manufacturing contribution to total TFG apparel (units)



Shares our commitment

TFG London

Value chain overview

TFG London has outlets and concessions in the United Kingdom and Ireland, as well as other countries in Europe, North America, Asia and the Middle East. We sell products through physical outlets and digital channels.

Each TFG London brand designs and develops its own branded products from offices in London. Finished products are manufactured by an established network of third-party factories, which rely on subcontracted and homeworking processes as well as fabrics, trims, yarns and raw materials. All brands source their fabrics, components and raw materials through the same network. Distribution centres are operated by third-party logistics companies.

All suppliers and their sub-suppliers are expected to meet the social and environmental standards outlined in TFG London's supplier code of conduct.

Read more in our [modern slavery](#) report.

Traceability

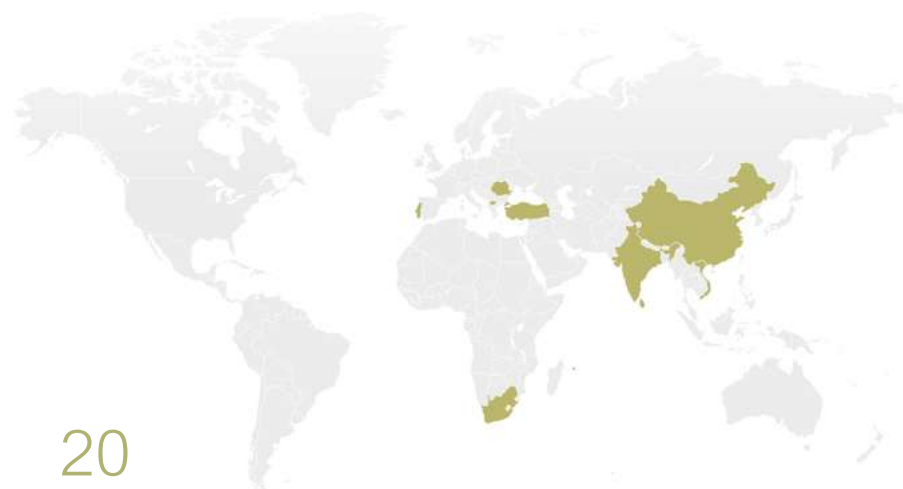
TFG London manages direct relationships with tier 1 suppliers, who oversee tiers 2 – 4 using the Segura System to capture data, embed traceability, and improve transparency. This year, we expanded our partnership with Segura to strengthen assurance beyond tier 1.

In collaboration with our tier 1 suppliers, London is mapping second-tier sites for components, packaging, and services across all brands. A real-time multi-tier declaration function adds assurance to this process. The process to start mapping tier 3 started towards the end of FY 2025. All tier 1 mapped suppliers are disclosed in the open supply hub, with tier 2 suppliers to follow.

Tier 1 factory audits are done according to the SEDEX Members Ethical Trade Audit (SMETA) Pillar-4 Audit, which evaluates suppliers in terms of labour standards and health and safety, as well as business ethics and environment. Over 80% of our factories have been audited following SMETA 4 or 2 pillar standards, with all achieving class A status. The remaining 30% will be incorporated into the revised audit strategy, to reach 100% by 2026.

We conduct an annual human rights risk assessment that uses data from SEDEX to understand risks by sector and country, together with information about products and materials. Our assessment also considers country risk ratings from organisations such as the International Labour Organization (ILO), Labour Rights Index, Global Slavery Index and World Bank.

TFG London sourcing



20

countries account for 96% of our purchased volumes from tier 1 suppliers, with key sourcing regions including China, Türkiye, India, Morocco, Sri Lanka, Portugal, Vietnam, North Macedonia and Indonesia

134

suppliers (of which 24 are shared across the TFG London brands)

234

tier 1 production sites (of which 30 are shared)

82%

of tier 1 factories transitioned to the SMETA Pillar-4 Audit

47%

of tier 1 factory audits rated A

TIER 1

Primary production site

Fully mapped

TIER 2

Fabric mills and processing facilities

59% mapped

TIER 3

Raw material processing

Partially mapped

TIER 4

Raw materials

Partially mapped

This value chain represents TFG London excluding White Stuff.



| Shares our commitment

| TFG London

Phase Eight sourcing



99%

of purchased volumes are from China, Romania, Türkiye, India, Morocco, Sri Lanka, Greece, Vietnam, Indonesia and Macedonia.

The Phase Eight first-tier supplier list can be found [here](#).

59

tier 1 suppliers (of which 32% are direct and 68% are agents)

13

countries

73

tier 1 factory sites

Whistles sourcing



98%

of purchased volumes are from China, Türkiye, India, Portugal, Vietnam, Mauritius, Sri Lanka, Spain, Cambodia and Morocco.

The Whistles first-tier supplier list can be found [here](#).

54

tier 1 suppliers (of which 49% are direct and 51% are agents)

16

countries

83

tier 1 factory sites

Hobbs sourcing



98%

of purchased volumes are from China, Morocco, India, Türkiye, Sri Lanka, Romania, North Macedonia, Indonesia, Brazil and Portugal.

The Hobbs first-tier supplier list can be found [here](#).

59

tier 1 suppliers (of which 64% are direct and 36% are agents)

17

countries

87

tier 1 factory sites

Inside Story sourcing



100%

of purchased volumes are from India, United Kingdom, South Africa and Portugal.

The Inside Story first-tier supplier list can be found [here](#).

9

tier 1 suppliers (of which 100% are direct)

4

countries

12

tier 1 factory sites

Shares our commitment

TFG London

Advancing purchasing practices

At TFG London, we continue advancing our purchasing practices, developing collaborative solutions, as well as sharing learnings with peers, experts and supply chain partners, focusing on:

Establishing **equal partnerships** that improve our ways of working to benefit both parties.

Enhanced internal, cross-department **communication and collaboration** to improve alignment.

Developing a **two-way code of conduct** that holds both parties accountable on agreed commitments.

Stronger relationships around production planning to **improve outcomes** for workers.

More **efficient production planning** building on clearer visibility, collaborative timelines and tracking.

In the past two years, we participated in the Common Framework for Responsible Purchasing Practices (CFRPP), alongside the ETI. The programme delivered improved leadership buy-in and commitment, driving more efficiencies, respectful sourcing dialogues and a streamlined critical path process. We also benefited from improved order information transparency for suppliers, optimised sampling efficiency, and consolidated fabric orders to minimise waste. A further outcome was a formalised two-way code of conduct with suppliers. Both parties comply with a set of agreed requirements, with the overarching aim to improve working conditions for workers in our value chain.

Human rights and empowerment

11 principles for responsible purchasing

1. Employment is freely chosen.
2. Freedom of association and collective bargaining are respected.
3. Working conditions are safe and hygienic.
4. Child labour shall not be used.
5. Living wages are paid.
6. Working hours are not excessive.
7. No discrimination is practiced.
8. Regular employment is provided on the basis of recognised employment relationships established through national law and practice.
9. No harsh or inhumane treatment is allowed.
10. Compliance with environmental rules, regulations and standards and observe environmental conscious practices.
11. Suppliers are expected to implement and maintain necessary systems to guarantee compliance to this code.

Four key principles for supplier relationships

1. Clear expectations based on a shared commitment to ethical trade.
2. Support and guidance based on agreed policies and procedures.
3. Open communication based on open and honest dialogue.
4. Responsible purchasing practices to improve working conditions for workers in our supply chains.

Shares our commitment

TFG London

Action against modern slavery

TFG London follows the ETI Human Rights Due Diligence Framework and UN Guiding Principles for Business and Human Rights to assess, identify, monitor and mitigate all human rights risks. Through this due diligence process we collaborate with our strategic partners, including the ETI, Homeworkers Worldwide, Anti-Slavery International and the International Workers' Transport Federation to gain external expert guidance and advice.

The UK Home Office published updated statutory guidance to help organisations comply with Section 54 of the Modern Slavery Act 2015 in March 2025. TFG London was part of the consultation process and provided a business view on efforts to eliminate modern slavery from the global economy.

To address the risks of modern slavery, we:

- Strengthened our human rights due diligence as part of a wider and enhanced process that includes a risk assessment across manufacturers and non-stock suppliers. This includes examining risks related to our business model, the products we make and our sourcing and purchasing practices, as well as our global sourcing landscape.
- Continued to embed measures to assess, identify, monitor and mitigate the risk of modern slavery in our business and supply chains, recognising that these risks are changing and that we have to develop more sophisticated and systematic assessments.
- Recognised that the climate crisis heightens the risk of all forms of modern slavery, particularly for women and girls, and people already living in poverty.
- Advocated for a just transition and partnered with the International Transport Workers' Federation to enhance human rights due diligence in our transport and logistics supply chain.
- Implemented measures to include the reduction of GHG emissions across our supply chains and operations in line with the objectives of the Paris Agreements and the Science-Based Targets Initiative.
- Continued to work collaboratively with peers, experts and supply chain partners to improve purchasing practices.
- Contributed to the Open Supply Hub to create a single facility identifier for garment factories in apparel supply chains that will support collaboration at factory level, ranging from joint remediation to collaborative capacity building activities.

As we make progress towards identifying our salient issues, we will evolve our existing human rights commitments and advance targets which will challenge our business to drive meaningful progress on human rights.

Modern slavery partners and platforms

We engage and partner with NGOs, trade unions, academia and multi-stakeholder platforms:

Anti-Slavery International

TFG London works with Anti-Slavery International, the world's oldest anti-slavery charity, to help assess, identify and mitigate modern slavery risks, *inter alia* through training and corrective actions.

Ethical Trading Initiative

TFG London's ethical trading strategy and operational policies are informed by the ETI Human Rights Due Diligence Framework. The ETI promotes respect for workers' rights around the globe and provides guidance on responsible purchasing practices.

International Transport Workers' Federation

TFG London partners with the affiliate-led International Transport Workers' Federation to raise internal awareness of the human rights risks affecting transport workers.

TFG London joined a new ETI work stream to address freedom of association and worker representation in our supply chain. With short- and long-term objectives, we aim to understand these rights in our existing and new sourcing countries, strengthen our policy and work towards its successful implementation.

TFG London's supplier code of conduct aligns with the Ethical Trading Initiative Base Code, an internationally recognised code of labour practice founded on the conventions of the ILO. It also includes elements of the SAI SA8000 Standard:2014 and outlines the minimum social and environmental standards we expect each factory – and its sub-suppliers – to meet or exceed.

We seek to set clear expectations regarding supplier requirements, provide support and guidance through policies, procedures and site visits, foster open communication, and improve standards, behaviours and purchasing practices where needed. Read more about our [11 principles for responsible purchasing](#).

In accordance with Section 54 of the UK Modern Slavery Act 2015, TFG London has published its Modern Slavery Statement for the financial year ending 31 March 2024.

Shares our commitment

TFG Australia

Value chain overview

The TFG Australia value chain is complex and includes various stages, geographies and skill sets to bring products from raw materials through to finished goods. Our strongest relationships are with the suppliers who are at the final stage of our manufacturing process.

Our products are designed from our head office in Sydney. Finished products are manufactured by an established network of third-party factories.

TFG Australia's warehouse operations are spread across New South Wales and Queensland, including a new warehouse in New Zealand. Of those, one is managed directly by us, and the others by third-party providers.

TFG Australia has 610 outlets across Australia and Zealand, as well as concessions in Australia. We sell products through physical outlets and digital channels.

Read more in our [modern slavery report](#).

Traceability

Primary contractual trading arrangements are with our direct tier 1 suppliers. We have some contractual arrangements with tier 2 fabric and fibre suppliers.

We are implementing a traceability action plan to assess partnerships beyond tier 1 across all brands and are continuously refining the process while closely monitoring progress.

All suppliers are required to sign our supplier code of conduct as part of our onboarding procedures. Our code includes a restricted list (processes, materials, entities, etc.) and onboarding now includes transparency disclosure requirements. We monitor compliance by conducting at least bi-annual independent third-party social and ethical audits of all our tier 1 suppliers in line with the code of conduct. This procedure has been in place for more than 10 years. Re-audits and unannounced inspections are also conducted.

We rank our supplier factories monthly on an ethical sourcing risk scale, which includes factors such as audit and unannounced inspection results, Corrective Action Plan (CAP) procedures, hotline calls, factory training prepared and factory capacity.

High-risk factories are flagged and mitigating actions or learnings are shared internally. Factories that have shown low risk are recommended as best practice.

TFG Australia sourcing



100%

of apparel was purchased from our tier 1 suppliers in China, Bangladesh, India, Pakistan, Cambodia, Sri Lanka and Vietnam

94%

of our suppliers have received at least one unannounced inspection

229

tier 1 factories

7

sourcing countries

TIER 1

Primary production site

Fully mapped

TIER 2

Fabric mills and processing facilities

Partially mapped

TIER 3

Raw material processing

Mapping project initiated

TIER 4

Raw materials

Mapping project initiated



| Shares our commitment

| TFG Australia

Human rights and empowerment

We have 14 responsible sourcing principles:

1. No child labour.
2. No forced labour.
3. No harassment or abuse.
4. No discrimination.
5. No excessive overtime.
6. Appropriate compensation.
7. Compliance with laws.
8. Healthy and safe workplace.
9. Freedom of association and collective bargaining.
10. Environmental awareness and protection.
11. No bribery or corruption.
12. Transparency in all business relationships.
13. Responsible raw material sourcing.
14. Upholding RAG's responsible sourcing principles.

All tier 1 suppliers must adopt these principles, evidenced through signing our supplier code of conduct. We regularly monitor compliance by conducting bi-annual independent third-party social and ethical audits of all our tier 1 suppliers in line with the code. Re-audits and unannounced inspections are conducted more frequently when issues of non-compliance are identified.

We monitor and analyse compliance and measure the effectiveness of our procedures through a monthly brand compliance dashboard. This year, we established a grievance remediation process which we rolled out to our highest risk suppliers.



| Shares our commitment

| TFG Australia

Taking action against modern slavery

We value our key supplier relationships and aspire to continue to grow alongside these partners promoting responsible purchasing and sourcing practices and a supply chain free from human rights abuses.

To address the risks of modern slavery, we:

- Monitor and improve the traceability processes across our brands with the focus on fabric mills and sustainable materials.
- Focused on completeness in the documentation process to validate factory mills in our supply chain.
- Diversified our supply chain beyond China.
- Rolled out our grievance hotline to all regions we source from in response to the diversification drive, adapting it to suit local language and communication preferences in most regions.
- Performed unannounced inspections on 71% of our active supplier base during the year as an effective way to identify ethical risks.
- Rated our factory base and discussed the results with our internal sourcing teams, highlighting areas that require attention.
- Continued implementing our training programme for factories and suppliers, covering our code of conduct, workplace health and safety, gender equality, grievance hotline, workers' awareness and common audit procedures.

TFG Australia consults with Be Slavery Free, a coalition of civil society campaigning against modern slavery, human trafficking, forced and child labour. This includes consulting around audit outcomes and feedback to grievance complaints.

In accordance with Australia's Modern Slavery Act (Act), TFG Australia submitted its modern slavery statement, for the financial year ended 31 March 2024.

The 2024, Baptist World Aid Ethical Fashion Report identified TFG Australia as showing the greatest improvement between 2022 and 2024. TFG Australia outperformed 120 companies that own clothing or footwear brands operating in Australia. The research considers areas such a policy and governance (where TFG Australia scored highest), tracing, supplier relationships, worker empowerment and environmental sustainability.

Better insights from our grievance hotline

The use of the TFG Australia hotline significantly increased over the last 12 months. Although grievances might be regarded as negative feedback, for us it means better visibility into our factories beyond audits and inspections.

The improved use of our grievance mechanism followed a significant investment in creating awareness and doing training. We rolled out the grievance hotline process in supplier factories a few years ago with the assistance of a third-party audit and quality assurance provider, QIMA. Over the past two years, we rolled out training to factory employees and management, which included information on the purpose of the hotline. Since then, we have seen a significant increase in engagement with this resource.

In response to these grievances, we also developed and rolled out our remediation process to tackle any emerging issues.



Shares our commitment

Future focus areas

TFG Africa

Our supply chain strategy is built around three key focus areas:

Responsible supply chains:

- We achieved 100% visibility of tier 1 across all categories, laying a strong foundation for ethical oversight and supplier engagement. Tier 2 is partially mapped and we are targeting 70% for the year ahead.
- Implemented a 12-month compliance programme requiring third-party audits and corrective action plans for all declared manufacturing sites by the end of next year.
- Strengthening environmental due diligence with a focus on water, chemicals, and energy across the supply chain.

Supply chain agility:

- Building on our strong local manufacturing base and proven quick response model.
- Further localisation of key commodities will also see more production on-shored.

Responsible purchasing practices:

- Strengthening responsible buying is a future priority.
- This involves precise planning, fair lead times, and long-term partnerships that promote mutual growth and trust.

TFG London

Protect human rights and improve labour standards for all the people in our supply chains, from farmer to seafarer.

- Conduct annual risk assessments, reporting findings publicly in the Modern Slavery Report, as required by law.
- Sign up to the transparency pledge.
- Enhance the factory audit programme.
 - 100% of tier 1 factory audits are to be conducted according to the SMETA 4-pillar standard, available on SEDEX and Segura.
- Improve purchasing practices.
 - Complete the Learning and Implementation Community on Responsible Purchasing Practices.
 - Establish and implement a two-way/bilateral code of conduct.
- Improve workers' representation and social dialogue.
 - Explore opportunities to onboard Labour Solutions to advance grievance mechanisms.
- Improve the approach to human rights and labour standards in our supply chain.
 - Develop tfglondon.com to host sustainability pages.
 - Conduct annual training internally to raise awareness of efforts relating to Modern Slavery and human rights.
 - Establish an annual impact report.

Accelerate our transition to lower impact manufacturing methods, while embracing radical transparency and traceability, addressing product circularity and working towards implementing onshore production.

- Reduce the impacts of manufacturing by increasing the use of environmental management systems throughout the supply chain.
- Map supply chain on Segura and disclose partners periodically on Open Supply Hub.
- Incentivise suppliers to decarbonise.
 - Support top five suppliers to decarbonise through long-term commitment and forecasting.

TFG Australia

Develop our compliance procedures deeper into our supply chain.

- We aim to work with our fabric mills to monitor social, ethical and environmental accreditation and practices. We will develop our strategy for monitoring compliance.
- We continue to diversify our supply chain and are driving risk assessments of social and ethical risks in new regions as a key consideration, including developing tailored controls to meet these needs.
- To continue the substantial progress we have made in the last 12 months to further map our supply chain deeper into tier 2 and beyond.
- Develop training programmes for our internal and external team members and suppliers on sustainable purchasing/production.



Restores our environment

We are committed to restoring our relationship with the environment by driving actions that support sustainable practices and the transition to a more resilient, low-impact future.

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Restores our environment



Material stewardship and design

Circularity

Waste and packaging

Climate change

Biodiversity



We are committed to responsible product stewardship across the entire lifecycle of our products, from design and manufacturing to sale and end-of-life disposal. By embedding sustainability into every stage, we aim to minimise environmental impacts and support the transition to a low-impact, circular economy. We are working towards a zero-waste business and value chain, to reduce emissions, and increase environmental awareness through transparency and brand-led initiatives. We also recognise the greater environmental impacts that occur upstream in our supply chain, such as cotton cultivation, dyeing, printing, and garment production, and downstream through customer use and disposal. By focusing on what we can measure and influence, we aim to drive meaningful change across our value chain.

Our connection points and positions

Materials and design

TFG's materials journey is focused on where we can have the greatest impact, starting with cotton and polyester, which currently account for the majority of our raw material use. We are committed to transitioning to lower-impact alternatives, supported by our Better Cotton membership. We also commit to responsible product design for better durability, circularity, and reduced environmental impact across our product range.

Circularity

We are focused on integrating solutions that promote product circularity through thoughtful and innovative circular design.

Waste

We actively support reducing and diverting waste from landfill by working with organisations to reuse and recycle. TFG London has committed to becoming a zero-waste business.

Packaging

We are committed to using responsibly sourced, recycled, and recyclable materials across our packaging. Wherever possible, we prioritise certified sustainable sources and design packaging to minimise environmental impact. Through continuous improvement and innovation, we aim to reduce our packaging footprint and support a more circular, sustainable future.

Climate change

TFG Africa is in the process of developing a climate change plan to guide our transition towards a low-carbon future. TFG London has set near-term science-based targets, validated by the Science-Based Targets initiative (SBTi), reducing scope 1, 2 and 3 GHG emissions by 2030. We are formulating a comprehensive environmental policy for the Group.

Material stewardship and design

Materials

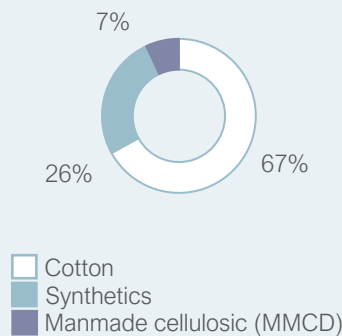
The Group's product mix spans a diverse range of categories, with apparel, making up the largest contribution. It also includes homeware, furniture, jewellery and beauty. Cotton and synthetic materials (e.g., polyester) remain the most commonly used fibres including blends. We began our materials journey with a focus on cotton, given its volume and impact. Building on this foundation, we have established a materials roadmap that we continuously review as we remain focused on the areas of greatest impact, guided by feasibility, and relevance to our product mix. Certifications are an important tool that guide our approach to sourcing to minimise the impact on the environment and people, and to provide assurance to stakeholders that our products meet recognised sustainability criteria. We are piloting innovative materials like recycled viscose to explore future opportunities.

Recycled viscose initiative



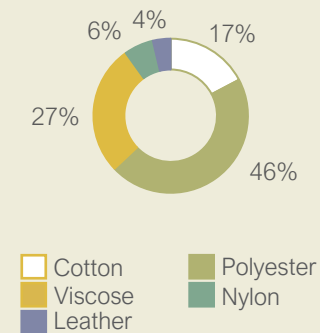
TFG Africa was represented with a stand at the Allfashion sourcing 2024 event held in Cape Town. TFG showcased the work in collaboration with Sappi to pilot a blend of recycled viscose from textile waste and viscose. The pilot is part of our ongoing process to explore whether textile-to-textile recycling can provide a viable, scalable alternative to virgin materials, reducing waste and reliance on new resources.

TFG Africa's representative apparel fibre composition



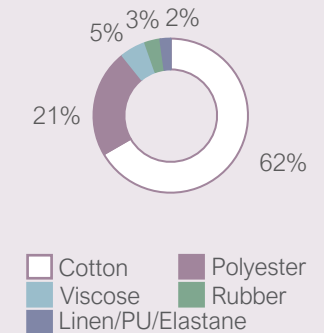
Note: represents 99% of apparel fibres

TFG London's representative top 5 apparel fibre composition



Note: represents 81% of apparel fibres and excludes White Stuff

TFG Australia representative top 5 apparel fibre composition



Note: represents 93% of apparel fibres

TFG London's top five focus materials

TFG London is committed to replacing the top five conventional fibres with lower-impact materials. This year, 70% of their top five materials were transitioned to lower-impact alternatives versus a target of 62% (2024: 58%).

Training on responsible dyeing techniques, and European flax cultivation and processes to fibre were conducted, empowering teams to make considerate choices. We collaborate with the Leather Working Group, an organisation that sets environmental standards for the leather industry.

Products which carry 60% or above lower-impact materials in the outer fabric and have a valid third-party certification, carry a swing-tag with information in the product description online. This aligns with the newly released guidelines from the UK Competition and Market Authority.

TFG Australia's strategy sets out a commitment to transition commonly used raw materials to lower-impact and more responsible alternatives. Targets are established and actively tracked, with a particular focus on cotton, polyester, and viscose.

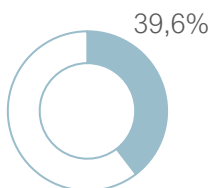
| Material stewardship and design

Cotton

We recognise that materials have an environmental and social impact, from production to end-of-life. To reduce this impact, we have a progressive approach to our materials sourced. We have had a particular focus on cotton in our materials roadmap as this represents one of the largest fibre contributions to our apparel and significantly impacts our objectives to transition to lower-impact alternatives. All three TFG business segments are members of Better Cotton and in addition, support other certified standards, such as organic cotton, recycled cotton and Australian cotton. The Group delivered meaningful progress, achieving 42,7%* more sustainable cotton sourced (2023*: 34,1%).

More sustainable cotton sourced in 2024*

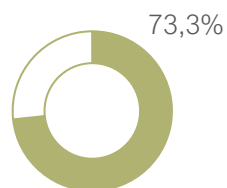
TFG Africa



39,6% preferred cotton
(2023*: 29,3%)

2025 target: 30%

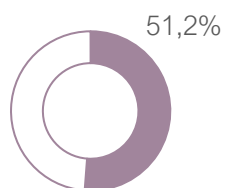
TFG London



73,3% preferred cotton
(2023*: 81,7%)

2025 target: 80%

TFG Australia



51,2% preferred cotton
(2023*: 50,7%)

2025 target: 50%

*Materials sourcing is based on a calendar year

Better Cotton

As members of Better Cotton, the world's largest cotton sustainability programme, we follow a globally recognised standard and support its move toward full farm-level traceability.

Better Cotton improves social and environmental outcomes by training farmers in water efficiency, soil and habitat care, responsible crop protection, and decent work practices.

Better Cotton estimates that TFG contributed to the following benefits in the 2024 calendar year:

11 027 tonnes

of Better Cotton sourced by the Group
(2023*: 8 613 tonnes)

616 million

estimated litres of water saved thanks
to our sourcing of Better Cotton

850 kilograms

of pesticides estimated to be avoided thanks to our sourcing of Better Cotton



Material stewardship and design

Responsible design

Sustainable design begins at the product development stage, where we prioritise responsible practices to minimise environmental impact and promote social value. This includes careful material selection, ethical and low-impact production, and designing for durability and longevity.

We also consider product use, care, and end-of-life management to advance circularity and resource efficiency.

While we continue to develop and integrate these principles, they guide our ongoing efforts to meet evolving sustainability standards and strengthen our environmental and social commitments.



Sustainable Design Incubator (SDI)

TFG Africa continues to invest in the Sustainable Design Incubator (SDI), a six-month acceleration programme that supports emerging local designers to develop commercially viable collections using zero-waste design principles and lower-impact materials. The initiative aligns with our commitment to reduce waste and embed responsible design across our value chain.

Since inception, **15 designers** have participated in the programme, including three onboarded this year. Cumulative investment has reached R3,2 million, with **12 collections successfully listed on BASH** and **15 showcased** at South African Fashion Week. Notably, **three designers have gone on to establish their own businesses**.

Designers benefit from specialised training in sustainable fashion, marketing and business skills, along with access to our facilities, fabrics, and sponsored equipment. This year, SDI designers launched collections on Bash, with several receiving repeat orders, and expanded their reach through capsule ranges for Archive stores.

2024 TWYG Changemaker Award

We celebrate sustainability and ethical practices in fashion design through the annual TWYG Sustainable Fashion Awards, with Markham as a headline sponsor. The main category, called the Changemaker Award, recognises designers who have embraced sustainability and circular design practices in their work and the recipient is selected by the judges from the highest scorers of all other categories. The 2024 winner, Viviers, used South African raw materials, with all products locally made and sourced by their Johannesburg atelier.

Creating a more sustainable future for fashion is important to TFG, and the sponsorship of these awards forms part of our support for this goal.



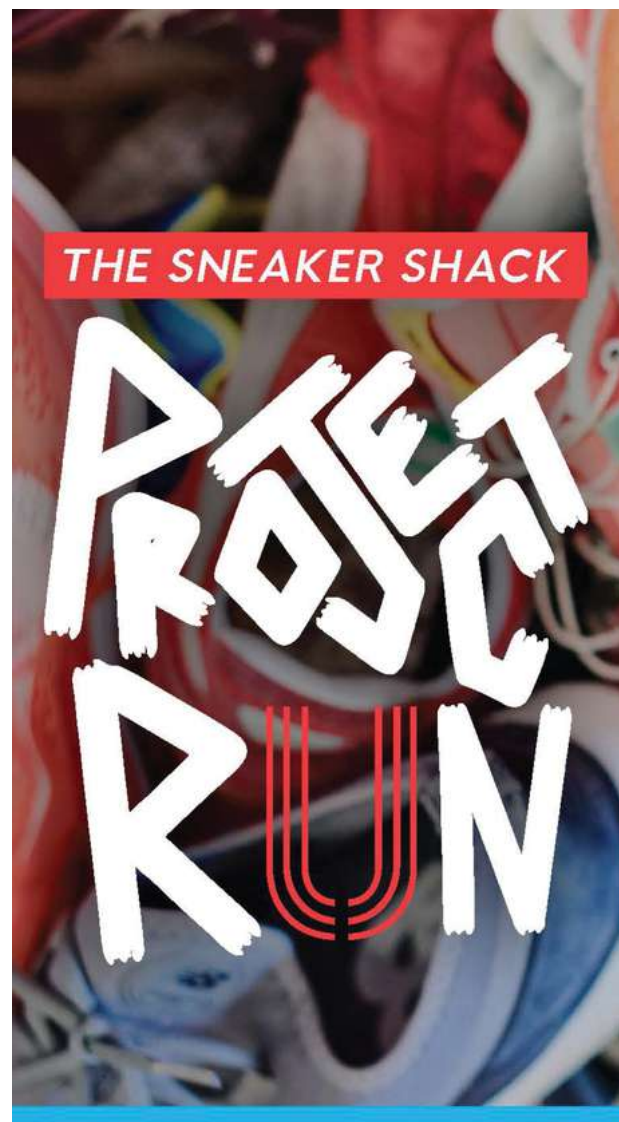
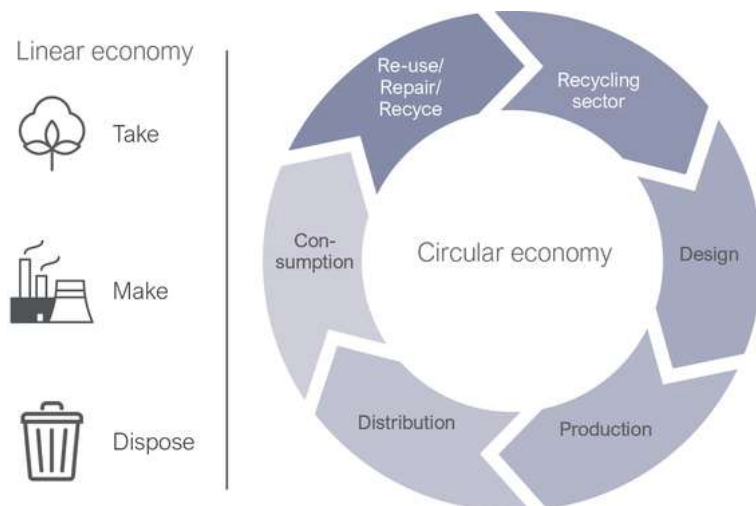
Circularity

Circularity is central to our sustainability strategy, requiring a fundamental shift in how we design, create, reuse and manage products at end-of-life. We are committed to a circular model that extracts fewer resources, reduces waste, and maximise what already exists, through better product design, longevity, mono materials over blends for easier recycling, as well as reuse and repurposing.

Our @home business partnered with Taking Care of Business (TCB) contributing 6 743 appliances and homeware to the Repair programme this year. The programme enabled skills development to 131 participants, supporting income generation, while extending the life of these products.

Across our brands in TFG Africa, clothing that is in a sellable condition is contributed to TCB's Resell programme, enabling clothing items to remain in use.

TFG Australia continues to work with Upparel to repurpose, upcycle or recycle garments or trimmings. If they are not fit for wear, they are recycled and typically turned into UPtex, a lightweight, durable, impact resistant and non-toxic chemical that can be used for packaging, signage and homeware.



A new life for sneakers

Totalsports extends the sneaker journey through its partnership with The Sneaker Shack. Through our Project Run collection boxes at 30 locations across Gauteng, KwaZulu-Natal, and Cape Town, we collected, cleaned, and repurposed around 507 pairs of footwear.

Our sneaker steps

1. Collection and initial sorting: Footwear is collected from our stores and sent to The Sneaker Shack for initial sorting and grading.
2. Cleaning process: Footwear is cleaned by hand so that quality and hygiene standards are met.
3. Preparation for distribution: Cleaned items are sized, boxed, and prepared for dispatch to our designated beneficiaries.
4. Final allocation: Upon receipt, beneficiary partners conduct a final sorting process before distributing the footwear to end recipients.

We opened our first in-store Sneaker Shack in November 2021, currently employing five staff at Menlyn. Across all operations, 105 employees contribute to circularity, job creation, and connecting people with their passion.

Circularity

TFG contributed 220 sleeping bags in partnership with Taking Care of Business, a non-profit social enterprise, and MatDoc Projects, a Safe Spaces partner of the City of Cape Town.

This collaboration assists people living on the streets while fostering entrepreneurship, upskilling South Africans and diverting textile waste from landfill to encourage a circular economy. We have committed to providing 2 500 sleeping bags across three key metropolitan areas – Cape Town, Johannesburg and Durban, focusing on areas with high levels of homelessness and socioeconomic vulnerability.

The sleeping bags are produced from upcycled store marketing materials and recycled fabric, diverting them from landfill and extending material life, turning waste into a new, purposeful product. The design includes a carry strap, making it versatile and user-friendly.

47

unemployed women were trained and upskilled with basic sewing skills and were involved in making TFG's sleeping bags

220

sleeping bags were contributed as part of a 2 500 commitment across three key metropolitan areas. We plan to expand this programme to enhance our disaster relief efforts, with potential to create more jobs and support skills development



Waste and packaging

Waste

TFG Africa

71,5%

total business waste recycled across TFG head office, distribution centres and factories
(2024: 70,1% Target: 72%)

65,7%

total textile waste recycled across TFG's own manufacturing sites (2024: 71,7%)

Textile waste recycling: centralised to enhance efficiency and impact

- This year, we centralised our textile waste recycling at our own factory to improve process control, increase recycling rates, and reduce costs.
- By taking ownership of collection and sorting, we enhanced operational efficiency and accountability across our own factories.
- Achieved **80,9%** diversion rate since implementation in November.
- Read more about our textile waste recycling initiative on the following page.

TFG London has committed to becoming a zero-waste business.

To achieve this, we are:

- Defining zero-waste for the entire business.
- Providing internal training on how to recycle correctly.
- Improving recycling rates at all central offices, distribution centres and UK-based outlets, to reach a 60% recycling rate.
- Consolidating and transitioning to a group waste provider to improve efficiency and communication.

Repurposing waste for good

We joined the Cotton Lives On™ recycling programme to recycle cotton waste, which includes faulty or unsold stock. Through our partnership we send cotton waste and unwanted clothes to be recycled. These are sorted and reworked through a natural cotton fibre reprocessor.

We partner with Naturalmat, a mattress manufacturer, to use old cotton for roll matt interiors, which can be offered to organisations such as the Single Homeless Programme.

We also work with our partners at Newlife to contribute end-of-season items, over-ordered stock, or returns. All profits from these sales go towards helping disabled children and their families.

Our partnership with Smart Works also facilitates the contribution of garments to help unemployed women across the UK get into work and change the trajectory of their lives.



TFG Australia

Value from waste

TFG Australia are committed to our goal of “nothing to landfill” and every year are making further progress on this.

We are upgrading all of our customer-facing packaging for recyclability/disposal guidance using the standardised Australian Recycling Logos (ARL).

When garments remain fit for wear, they are allocated to charitable partners such as Thread Together, the Australian Red Cross, and the Salvation Army. During the year, 181 871 units, equating to 84,2 tonnes of textiles were contributed to these organisations for reuse.

Waste

Textile waste recycling at Prestige Clothing

Since implementing a new centralised process in November, our Prestige Clothing factory in Caledon in the Western Cape has made significant strides in diverting fabric waste from landfill, successfully redirecting 299 tonnes. This progress was driven by the following key initiatives:

- We aligned our factory waste collection process with the end-use requirements of our recycler to use less waste and be more efficient.
- The management of recycling operations is now in-house.
- Transport was optimised to reduce waste and cost.
- We achieved a net neutral cost operation.
- We are able to provide a fabric recycling service to all TFG manufacturing divisions through existing infrastructure.

The new process which was implemented in November has improved the diversion rate from landfill to 80,9%.

Going forward we plan to expand our recycling to include trims and completely remove plastic from the waste transport system.



Packaging



Packaging for transport

At TFG Africa, protective packaging plays a vital role in safeguarding items during transit, helping to prevent damage and maintain the quality our customers expect.

Distribution centre cardboard cartons

Only 1% new cartons purchased
99% of supplier and distribution centre cartons reused (2024: 96%)

Distribution centre shrink and pallet wrap

Reduction of 21,7% bought in current year

Reuse of store cartons through reverse logistics

We reused 69 534 cartons, up from 23 950 last year, through reverse logistics from 301 stores (170 stores last year), reducing waste and maximising resources

E-commerce customer bag

Made from 100% post consumer waste
Recyclable in South Africa



Packaging for customers

At TFG Africa we are committed to using responsible packaging solutions that minimise environmental impact while creating a positive experience for our customers.

Wash care labels in apparel

100% of our product care labels are made from 100% recycled polyester

Plastic shopping bags

Made from 100% post-consumer waste
Recyclable in South Africa
Reduction of 23,9% bought in current year

Reusable shopping bag

These bags are made from non-woven polypropylene, making them fully recyclable and therefore distinctive from other common alternatives in South Africa
Total of 1 394 528 reusable bags sold in current year

TFG London's packaging approach

We want 100% of our packaging to be plastic-free by 2026. TFG London reviews paper and packaging use annually to identify opportunities to increase paper-use efficiencies, reduce paper and packaging basis weights, and save money and resources. We give preference to paper and packaging with high recycled content, specifically post-consumer waste content. We also support research and commercial development of pulp, paper and packaging production from alternative fibre sources such as wheat straw and agricultural residues, and participate in trials as appropriate.

Our packaging is paper-based and certified from controlled and responsible sources. For e-commerce shipping, we are introducing **100% recycled plastic mailer bags** that will contribute to reducing our carbon footprint as these are more durable, can be reused, have lower impact and require less energy in manufacturing. Plastic bags are also lighter and thinner than paper bags, which means they require less energy for transportation and storage.

TFG Australia's packaging commitments

The Australian Packaging Covenant Organisation (APCO) defines the sustainable pathway for how Australia will manage its packaging waste. They have set national packaging targets to transition to a circular economy for packaging. These targets apply to all packaging made, used and sold in Australia.

TFG Australia is committed to improving our packaging in line with the Australian Packaging Covenant Organisation (APCO) guidelines:

- All packaging is either reusable, recyclable or compostable
- Increase the recycling rates of our plastics
- Increase recycled plastic content in our plastic packaging
- Phase-out problematic and unnecessary single-use plastic packaging.

To meet these goals, we are constantly reviewing all of the packaging within our supply chain to see where we have opportunities to reduce where possible, improve materials and increase our recycling habits. We are also engaged with improving on packaging claims communicating the best disposal method for the packaging in line with Australian Recycling Logo (ARL) standards.

In May 2024, TFG Australia published our first APCO Action Plan outlining our packaging objectives towards more sustainable packaging. As an APCO Brand Owner Member, we are required to submit an APCO Annual Report and an APCO Action Plan annually. This led to a significant improvement in our data visibility for packaging.

TFG Australia received an "leading" score from APCO in 2025 (based on the 2024 calendar year), indicating that we have taken tangible action on our packaging sustainability journey.

In FY 2025, **96% of TFG Australia products** had some packaging that is from recycled material.

Next year, we plan to further optimise our packaging, use more recycled materials, and improve the consumer guidance regarding the best way to recycle our packaging.

Climate change

We are taking decisive steps to integrate climate considerations into our strategy, risk processes, and governance structures. Our Group climate strategy and decarbonisation roadmap are in development, backed by improved data systems and scenario modelling. These efforts will position us to set credible, science-aligned targets and navigate a just transition over the coming years.

Climate policy and strategy

TFG Africa made good progress this year in developing a climate change strategy aligned with global best practice.

We enhanced our Scope 3 greenhouse gas (GHG) emissions footprint through expanded coverage of purchased goods with the support of external experts. We completed baseline modelling and target pathway development toward a low-carbon future, and initiated a climate change action plan to define and map the necessary emissions' reduction measures.

In assessing appropriate standards to guide the target setting process, we reviewed the Science Based Targets initiative (SBTi) and ISO 14068-1:2023, aligned to global goals such as the Paris Agreement. Once targets are finalised and the action plan is approved, we will formalise our climate change strategy.

The Group climate change strategy and related targets will be inclusive of the targets and decarbonisation strategy already set by TFG London. Read more about the [TFG London decarbonisation roadmap](#), including progress made against their SBTi targets.

Climate governance

The TFG Supervisory Board is accountable for climate-related oversight with specific responsibilities delegated to the Risk Committee and the SEC. These committees inform the Supervisory Board on material strategic, existing and emerging risks and opportunities, including those related to climate impacts, metrics, and targets. The Audit Committee is tasked with input and governance over all risks that could impact the Group's financials and financial reporting. This may extend to climate and sustainability risks and opportunities if material.

We explain the Group's governance process and structures as these relate to sustainability and climate under [governance](#).

The Operating Board, led by the CEO, is responsible for the execution of strategy and day-to-day management, including sustainability risks. The CEO is informed on significant sustainability risks through the Risk Governance Committee and reports any significant climate-related issues to the Supervisory Board.

Climate risk management

The identification, assessment and management of climate-related risks is integrated into our ERM framework, using the same processes as other risks that might have a material impact on our ability to create sustainable value in the short, medium and long term. The Group's definition of a significant risk considers quantitative and qualitative thresholds.

For more information on our ERM framework, refer to page 20 in the [governance report](#).

Additionally, the Group calculates its carbon footprint according to the GHG Protocol for Corporate Reporting and ISO 14064-1:2018, allowing for the quantification of climate impacts.

The Group undertakes scenario analysis to identify climate-related risks and opportunities. The first analysis focused on our South African operations, which represent more than 70% of Group revenue. The analysis will be updated every two to three years to refine the scenarios, and will be expanded to other Group areas. The climate-related risks are incorporated into the central risk database, and material risks are reported to the Risk Committee. The Group also considers the interconnections between environmental dependencies, impacts, risks, and opportunities as part of its broader enterprise risk management process. This integrated approach guides us to manage climate-related risks effectively, supporting the Group's strategic and financial planning.



Climate change

Climate-related risks and opportunities

In 2022, TFG began our journey to identify potential climate-related risks and opportunities through scenario analysis, focusing on the direct operations within the South African territory.

The scenario analysis focused on identifying key variables necessary for informed decision-making, including both physical climate variables and transition variables. It also examined major forces and developments with the potential to significantly impact the future performance of the Group, including regulatory changes, carbon tax regimes, economic impacts, and consumer behaviour shifts.

The implications and critical uncertainties following from the scenario analysis were:

- We anticipate higher demands for climate-related disclosures from investors and other stakeholders. TFG must enhance our reporting capabilities to meet these expectations cost-effectively and efficiently to attract and retain investors.
- Consumers are likely to favour products with higher levels of traceability, increased local product content, durability, recyclability, and contributions to a circular economy. There is also a trend towards lower use of plastics in products and packaging. TFG may need to adapt our product offerings and packaging to align with these consumer preferences in an economically feasible manner.
- Physical risks in the value chain, specifically increases in severe weather events such as flooding, could cause physical damage to TFG's production facilities, distribution centres, and retail stores.

The outcomes of the scenario analysis were incorporated into our strategy through the decision to shift towards sustainable material sourcing and the development of products with sustainable design attributes. We will update the climate change scenario analysis periodically to inform strategic decision-making and strengthen our resilience against climate impacts.

Key summary of scenario analysis

Scenario used	SSP2 RCP4.5 (IPCC)
Assumptions	Existing climate policies and regulations remain consistent until 2030. Macroeconomic conditions follow SSP2 projections. Regional climate patterns align with current trends. Developments in technology and energy usage are based on current projections. Severity and intensity of driving forces align with IPCC SSP2-4.5 projections.
Scenario analysis sources	Physical: World Bank and Meteomatics. Transitional: NGFS, NBI, SARB, SA National Treasury, SA Just Transition Framework.
Time horizon	Physical: Short-term: 2020 to 2035 Medium-term: 2035 to 2060 Transitional: Short-term: 2020 to 2030 Medium-term: 2030 to 2050
Material risks identified	Physical risks: Increased severe weather events (e.g., flooding). Transition risks: Regulatory changes, carbon tax regimes, economic impacts, consumer behaviour shifts.
Opportunities identified	Higher demands for climate-related disclosures. Consumer preference for traceable, durable, and recyclable products. Opportunities in renewable energy, energy efficiencies, and sustainable products.
Strategic resilience	Enhancing reporting capabilities for climate-related disclosures. Adapting product offerings and packaging to align with consumer preferences. Enhancing resilience of physical infrastructure to withstand severe weather events.

Climate change

Climate risks

TFG identified the top three physical risks and impacts to owned and/or controlled South African operations under an “NDC/Current Policies” SSP2-4.5 scenario. Financial impacts still have to be quantified.

Type of risk	Identified risk	Timeframe	Potential impact
Acute physical	Increased frequency and severity of floods and fires	Near and medium term	Physical damage to production facilities, distribution centres, offices, and retail stores
	More extremely hot days (>35°C)	Near and medium term	Workplace hazards (heat stress, dehydration), decreased labour productivity, increased cooling costs, reduced store footfall
Chronic physical	Rising mean temperatures	Near and medium term	Heat stress, dehydration, lower labour productivity, employee well-being risks, higher air conditioning costs, reduced operational efficiency
	Seasonal changes (mean temperature and season length)	Near and medium term	Impact on clothing design and material choices, shift in consumer clothing needs
	Changes in precipitation patterns	Near term	Disruption to internal operating environment
	Long-term climate shifts	Medium term	Higher insurance premiums, possible insurance unavailability in high-risk areas
Transitional	Increased stakeholder and regulatory climate reporting expectations (e.g. IFRS S2, CDP, FSCA, JSE guidelines)	Ongoing/Medium term	Increased compliance and reporting costs, need for agile reporting to retain investor confidence
	Market forces (energy, water tariffs, compliance costs, carbon taxes)	Ongoing/Medium term	Increased operational and supply chain costs, financial pressure on distribution centres and logistics
	Need for adoption of low-carbon and water-efficient technologies	Ongoing/Medium term	Capital investment in sustainable technologies, logistics and operations
	Changing consumer preferences (traceability, local content, recyclable/durable products, reduced plastic use)	Ongoing/Medium term	Product redesign and supply chain adjustments to meet demand for sustainable, circular economy-compliant products

Climate change

Climate-related opportunities

Opportunities under an “NDC/Current Policies” climate change scenario

While climate change will produce variable physical and transitional risks, certain opportunities could also materialise under different scenarios. Such opportunities are typically generated through the adoption of resource efficiencies within company operations; generation of energy from low, or zero, carbon sources; development of low-carbon products and services; changing market conditions; and overall business resilience. In the analysis of our South African direct operations under an “NDC/Current Policies” scenario, we anticipate potential opportunities in all these areas.

Opportunity	TFG-specific opportunity	Area of impact on TFG South Africa direct operations	TFG response
Resource efficiency	Increase efficiency of buildings, infrastructure and network.	Lower resource use and GHG emissions in our operational systems. Lower operating expenditure (opex) due to lower resource costs and lower carbon tax per unit of production.	TFG Africa has developed an IEP aimed at reducing electricity consumption and related costs. The plan involves retrofitting older stores with modern LED lighting and air-conditioning upgrades over the medium term. LED lighting has already been installed in 1 884 stores. As part of our IEP, TFG has three distribution centres and one manufacturing facility that use renewable energy. Retrofitting lights and motion sensors in offices. Further renewable energy expansion is being investigated.
	Energy-efficient manufacturing equipment.	Reduced opex costs (energy).	End-of-life replacement of sewing machines with energy efficient models.
Low-carbon energy sources	Increased use of renewable energy sources.	Lower opex due to lower resource costs and lower carbon tax per unit of production. Reduced reliance on national electricity utility in all our operations.	Our IEP engages our landlords on how much renewable energy they currently supply to us. The Midrand distribution centre installed a 600 kWp solar photovoltaic system in 2022. The Riverfields distribution centre in Gauteng, was designed and specified as an EDGE-certified green building, with a 600 kWp installed solar photovoltaic system. The Tygerberg distribution centre installed a 178 kWp solar photovoltaic system in 2024.

Climate change

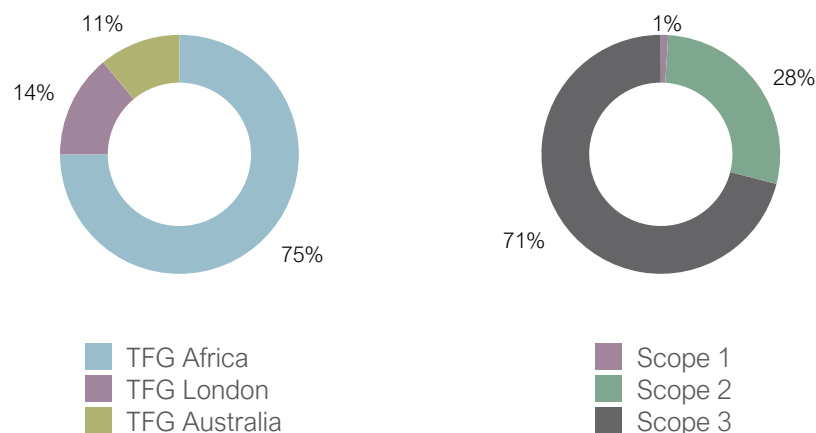
Climate-related opportunities

Opportunities under an “NDC/Current Policies” climate change scenario

Opportunity	TFG-specific opportunity	Area of impact on TFG South Africa direct operations	TFG response
Sustainable products and services	Use of sustainably sourced fibres and fabrics.	Use of different raw materials in our manufacturing operations.	Significant progress made on sustainable sourcing of cotton for the financial year across all territories.
	Sustainable design attributes, longevity and quality of products.	Use of sustainable designs and materials in our manufacturing operations. Increased revenue from higher value proposition. Attraction of higher quality-seeking customers.	Supporting emerging designers through our Sustainable Design Incubator.
	Erosion of seasonality leading to more year-round assortments.	Improved revenue due to lower markdowns and write-offs of seasonal items.	Responding to weather trends by proportionally reducing seasonal trends.
Market changes	Increased use of recycled inputs and reduced waste to landfill.	Improved opex due to lower input costs. Lower GHG emissions from manufacturing operations.	65,7% of textile waste from TFG’s own manufacturing sites recycled or repurposed. 71,5% of waste from TFG Africa’s head office sites, distribution centres and factories recycled. Continued partnership with key organisations to contribute merchandise to support communities.
Resilience	Improved market valuation through sustainability reputation.	Lower volatility of share price.	Enhancing our sustainability reputation may attract consumers and investors focused on ESG factors, which may lead to improved market valuation and long-term value creation.
	Diversification out of geography-specific high climate risk areas.	Avoidance of potential revenue losses.	Alerting business owners to risks and influencing location decisions.

Climate change

Group carbon footprint overview



Absolute emissions	FY 2025	FY 2024
TFG Africa	608 810	379 339
TFG London	117 571	61 514
TFG Australia	92 166	73 182
Group	818 547	514 035

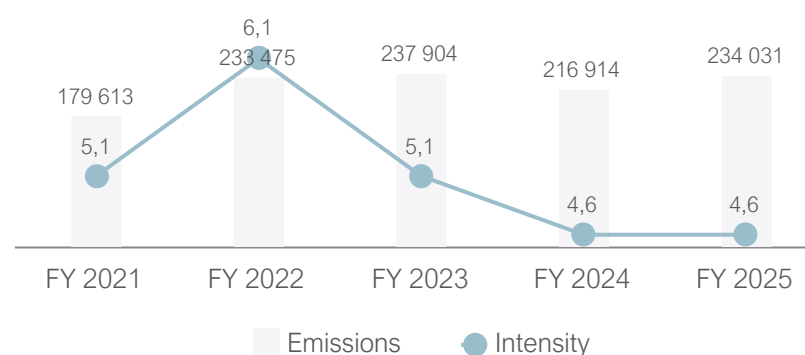
Absolute emissions	FY 2025	FY 2024
Scope 1	4 149	9 901
Scope 2	229 882	206 338
Scope 3	584 516	297 796
Group	818 547	514 035

Group

The increase in total absolute emissions is predominantly due to the inclusion of additional scope 3 categories across TFG Africa and TFG Australia, in line with our commitment to enhanced transparency and more comprehensive emissions reporting. The increase also accounts for the integration of our recent acquisition, White Stuff, in October 2024 in TFG London, which was included in the FY 2025 footprint.

The shift between scope 1 and 2 emissions is primarily due to reduced load shedding in South Africa, which affected our use of diesel generators versus grid electricity.

Group scope 1 and 2 emissions



Our scope 1 and 2 performance over time

Group

- While total scope 1 and 2 emissions increased by 8% year-on-year, emission intensity per employee remained stable. This indicates that the rise in absolute emissions was proportionate to workforce growth and that operational carbon efficiency per employee was sustained.
- The increase between FY 2021 and FY 2022 reflects the normalisation of operations after the COVID-19 pandemic.

TFG Africa

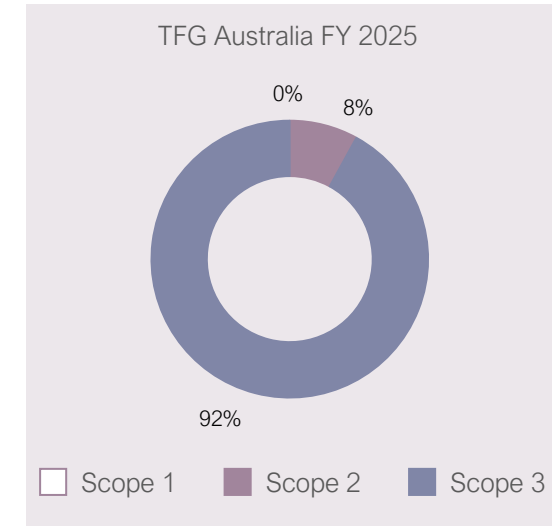
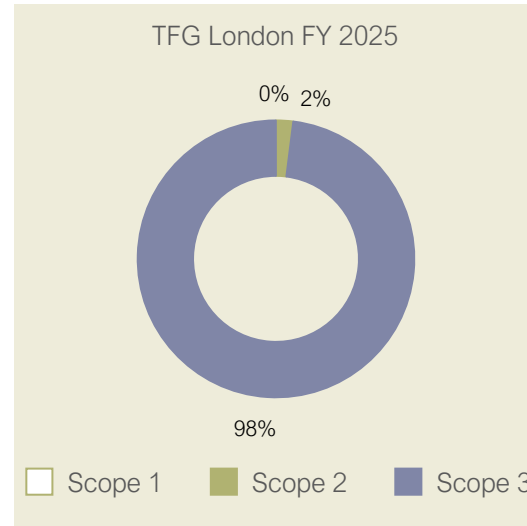
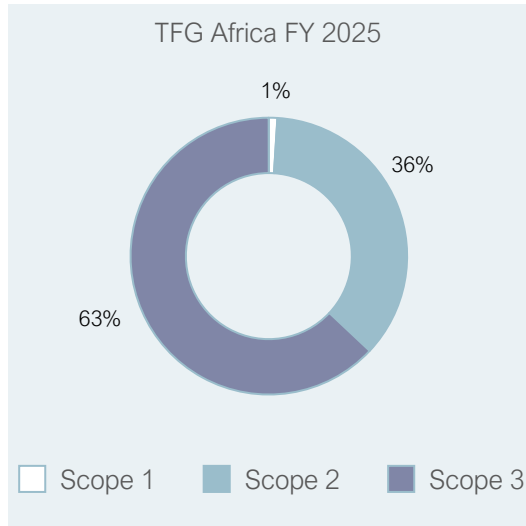
- The changes in scope 1 and 2 emissions in FY 2025 are primarily driven by the national reduction in load shedding in South Africa. Reduced reliance on diesel-powered backup generators led to a decrease in scope 1 emissions, while the corresponding shift back to grid-supplied electricity contributed to an increase in scope 2 emissions.
- Total electricity consumption for FY 2025 was broadly in line with FY 2023 levels, despite an increase in the number of retail stores. This relative stability in energy use highlights the impact of our energy efficiency initiatives and the continued integration of renewable energy across our operations.

TFG London

- FY 2025 reflects the acquisition of White Stuff in October 2024, with scope 1 and 2 emissions from their operations included from acquisition date.

Climate change

Segmental carbon footprint overview



Key initiatives to improve our carbon footprint

Scope	Initiative	Read more
Scope 2	TFG Africa: LED lighting in stores Group: Increased use of renewable energy	Energy efficiency and renewable energy
Scope 3	Group: Transitioning to lower-impact materials TFG London: Reduction in air freight	Material stewardship and design TFG London's decarbonisation roadmap

Group consumption

Group electricity consumption for the year

267 166 MWh

(FY 2024: 235 287 MWh)

Group water consumption for the year

1 791 257 KL

(FY 2024: 1 578 473 KL)

**Includes actual consumption for TFG London and TFG Australia, and calculated consumption for TFG Africa.*

Scope 2 electricity consumption renewable energy coverage

0,8%

(FY 2024: 0,4%)
TFG Africa

78%

(FY 2024: 69%)
TFG London

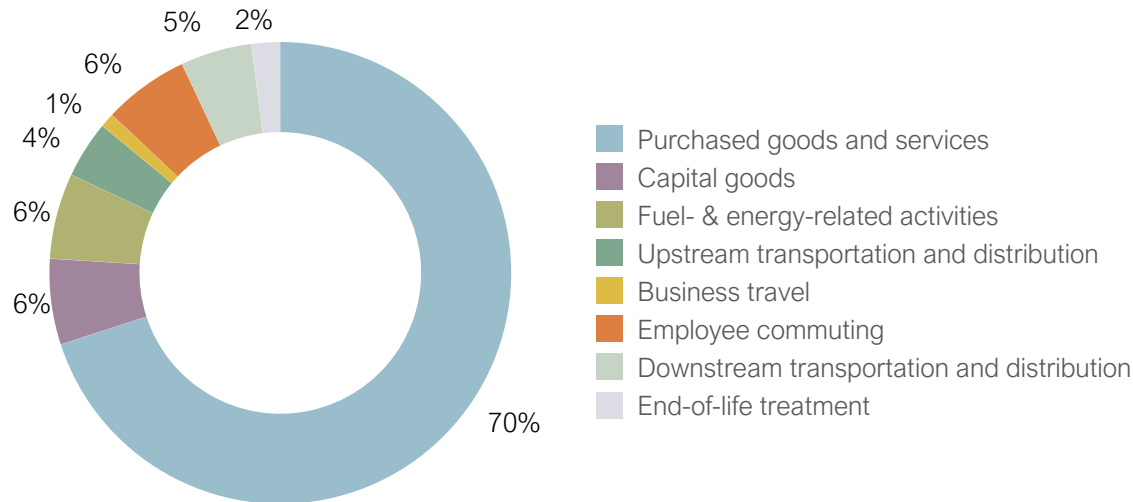
0%

(FY 2024: 0%)
TFG Australia



Climate change

Group scope 3 emissions



Enhancing scope 3 completeness

Group

- The contribution of scope 3 emissions increased this year as we enhance the completeness and accuracy of our carbon footprint reporting.
- We will continue to enhance our data collection and reporting to improve the scope 3 data in our carbon footprint report, in line with the requirements of the GHG Protocol.

TFG Africa

- We calculated emissions from additional apparel raw materials (under the category “purchased goods and services”).
- Emissions from capital goods are now calculated using the spend-based methodology at a supplier level, instead of at a product category level.
- The use of supplier-specific emission factors in Upstream Transport and Distribution resulted in a decrease of 60% in air freight emissions.

TFG Australia

- We calculated emissions from additional apparel raw materials (under the category “purchased goods and services”).
- Emissions from the end-of-life treatment of sold products were included, contributing to a notable increase in reported emissions. This was calculated on the assumption that all apparel sold would be sent to landfill. In future reporting, we aim to refine this methodology by incorporating actual customer disposal behaviour and more accurate pathways, including recycling and take-back programmes. This category excludes textile waste and unsold garments, which are reported separately under waste, as they are either recycled or contributed to Thread Together.

TFG London

- TFG London continued to increase the use of preferred materials, contributing to the decrease in their emissions from purchased goods and services.

Group carbon footprint methodology

Calculation standard	GHG Protocol Corporate Accounting and Reporting Standard methodology (2015)
Reporting boundary	Operational control approach
Reporting period	1 April 2024 to 31 March 2025
Emission factors	Emission factors used are derived from a recognised origin, are current and appropriate to the emission source concerned.
Restatement	In line with the requirements of the GHG Protocol, the FY 2024 GHG Inventories for TFG Africa and TFG Australia have been restated due to the change in methodology for the calculation of “Purchased Goods and Services” and “Capital Goods”.

Climate change

TFG London's decarbonisation roadmap

We want to deliver absolute and long-term net-zero decarbonisation at TFG London while protecting, conserving and restoring nature around the world, as well as mitigating pollution with a just transition at its core.

We set near-term science-based targets, validated by the Science-Based Targets initiative (SBTi), reducing our scope 1, 2 and 3 GHG emissions by 2030.

We assess our carbon footprint each year, enabling us to record and measure our progress against these targets.

Following the acquisition of White Stuff in October 2024, we will look at re-baselining and resubmitting our revised consolidated targets to the SBTi in 2026.

Our 2030 science-based targets

Reduce absolute scope 1 and 2 GHG emissions
95% by FY 2030 from a FY 2020 base year

Reduce absolute scope 3 GHG emissions from purchased goods and services and upstream transportation and distribution by **30%** from a FY 2020 base year

Increase annual sourcing of renewable electricity from
0% in FY 2020 to **100%** by FY 2030

Our progress for FY 2025*

Achieved a **-76%** decrease against the 95% reduction target

Achieved a **-36%** decrease against FY 2024, exceeding the target by **6%**

Increased the total renewable electricity procured to
+69%

For FY 2025, TFG London has achieved a -2% reduction in total GHG emissions compared to last year.

TFG London and a just transition

TFG London joined the ETI Just Transition work stream to identify, document and share effective approaches to integrating just transitions into responsible business conduct. Through this work stream, we will access support to integrate worker (and community) perspectives into just transitions initiatives.

The just transitions working group undertakes three main sets of activities:

- Working group meetings where experiences, good practices and lessons learned are shared and discussed.
- Collaborating to develop approaches and guidance that support members to integrate just transitions into human rights due diligence.
- Convening larger meetings in which the developed approaches and guidance are presented and shared.

*Excludes White Stuff



Climate change

Energy efficiency and renewable energy

TFG Africa is committed to reducing energy usage and transitioning to the use of renewable energy sources. Electricity is the most significant contributor to our energy use across our operations and hence we have developed an IEP. The plan includes renewable energy sourcing through significant investments in solar photovoltaic installations, energy meters, LED light retrofits, and efficient air-conditioning systems.

Recognising the importance of reducing our operational energy footprint, we have prioritised energy efficiency across our store network this year. We allocated a dedicated resource to this focus area, strengthening our ability to analyse store-level energy data and identify opportunities for improvement. This will enable targeted efficiency initiatives and ultimately drive down both costs and emissions across our operations.

Significant investments include:



Caledon factory **100 kWp**
photovoltaic system



Tygerberg **176 kWp**
photovoltaic system



Midrand **550 kWp**
photovoltaic system



Riverfields **780 kWp**
photovoltaic system

In total, we have installed:

1,6 MWp of solar capacity to support our transition to renewable energy and reduce our carbon footprint

Additional capacity across two more manufacturing sites and expansion in an existing site is planned for FY 2026.

Lighting impacts our energy consumption, particularly in stores and across our operations. The IEP focuses on retrofitting stores with LED lighting and air-conditioning upgrades over the medium term. We have retrofitted **2 182** (2024: 1 871) stores with partial to full LED lighting, significantly improving energy efficiency across our retail footprint. Across our own facilities, including head offices, factories, and distribution centres, LED lighting has been widely installed, reflecting our broader efforts to enhance energy performance and embed sustainability into our operations.

TFG Australia engaged an energy consultant to improve electricity data accuracy and drive key initiatives to reduce impact. Additionally, we have begun transitioning some of our stores to green energy and installed solar panels in our new head office.

The renewable energy shift for TFG London

TFG London plans to have 100% renewable energy by 2030. We made progress this year by increasing total renewable electricity procured to **69% of total energy used (excluding White Stuff)**. The reduction in scope 1 was driven by the switch in company vehicles to hybrid and electric alternatives, a shift away from the use of natural gas for heating purposes and the reduced use of other fuels.

| Climate change

Water stewardship

In South Africa, risks around water supply and quality have intensified due to infrastructure challenges and climate impacts. We invested in **six borehole systems** across selected facilities to enhance operational resilience: three in our head office buildings and three in our distribution centres. TFG Africa measures water withdrawals through LiveWire (utility meter monitoring and data management hardware and services) and municipal/local authority water bills. Water withdrawal volume is important to monitor for optimal management so that we are made aware of any changes or deficiencies in supply. Alternative water sources, such as recycled water, may become increasingly relevant in both direct and indirect operations to adapt to changing climatic conditions. Fortunately, water consumption at store level is negligible. However, upstream water risks might require future investment as we enhance our understanding and management of water-related risks and opportunities.

Biodiversity

Climate change has a profound impact on biodiversity. The primary drivers of climate change, such as elevated CO₂ levels, altered rainfall patterns and temperature ranges, can lead to loss of biodiversity hotspots and changes in the resilience of ecosystems.

TFG is committed to managing our environmental impact and mitigating our contribution to climate change by reducing our carbon footprint. A significant portion of scope 3 emissions originate from our raw materials supply chain, such as cotton. TFG partners with Better Cotton to improve cotton farming globally. Better Cotton's mission is to help cotton communities survive and thrive, while protecting and restoring the environment. Through its implementing partners, Better Cotton trains farmers to use water efficiently, care for soil health and natural habitats, reduce use of the most harmful chemicals and respect workers' rights and well-being.



Future focus areas

TFG Africa

We are advancing our climate change strategy through a structured and science-informed approach. Our GHG emissions inventory, prepared by external experts in line with the GHG Protocol, is being continuously strengthened, particularly in scope 3, to improve completeness and transparency.

Data accuracy and completeness remains a priority and we will continue to develop processes and systems to measure, monitor, manage emissions, including integration of data from recent acquisitions.

We developed our decarbonisation pathway and initiated a climate action plan, guided by global standards, with final targets and a formal management plan to follow.

Energy consumed within our own operations continues to be a priority:

- The store lighting retrofit programme, meter installations, and monitoring will contribute to achieve this goal.
- We will maintain our commitment to invest in renewable energy for owned and leased office, distribution and manufacturing buildings.
- Additional opportunity exists in relation to electricity demand reduction.

More sustainable cotton will remain the primary focus of our materials sourcing efforts, with the aim of reaching 50% by the end of 2026. Our next focus area is the responsible sourcing of wood inputs to support our furniture categories. Following this, our focus will shift to recycled polyester as our next key apparel fibre, and we will extend our sustainability efforts to other product categories such as jewellery, in line with our materials roadmap.

We are developing a Group-wide Environmental Policy that includes a chemical management strategy, aiming for a comprehensive and integrated approach to environmental stewardship.

TFG London

Commit to reduce absolute scope 1 and 2 emissions (market-based) by 95% by 2030 from a 2019 base year.

- Commit to increase annual sourcing of renewable electricity from 0% in 2019 to 100% by 2030.
- Commit to reduce absolute scope 3 GHG emissions from purchased goods and services and upstream transportation and distribution with 30% by 2030.
- Protect, conserve and restore nature.
 - Map nature-based impacts using the WWF Biodiversity Risk Filter.
 - Conduct a nature-based risk assessment for own operations and supply chains annually.
- Commit to becoming a zero-waste business.
 - Work with waste providers to provide training to empower colleagues across our business to recycle correctly.
 - Define zero-waste for the entire business.

Accelerate our transition to lower impact and more responsible materials, with a focus on phasing out fossil fuels and considering recyclability to promote circularity.

- Transition 80% of top five materials to more responsible and lower impact alternatives.
- Introduce direct-to-farm regenerative cotton pilot t-shirt with Organic Cotton Accelerator (OCA).
- Evolve preferred materials guide for the group, focusing on the top five materials.
- Phase out the use of virgin fossil fuel-derived fibres from the top five materials.
- Improve data integrity and reporting capabilities.
- Increase awareness and education.
 - Continue to engage with teams to evolve preferred materials, checking that the least impactful materials are used and where possible, next-generation bio-based solutions.
 - Conduct training twice a year on the topic of materials, where needed.

TFG Australia

TFG Australia is aware of the impact the apparel industry has on our planet and we are committed to making positive change. Our environmental strategy is a commitment to four long-term goals being sustainable materials, environmental footprint, packaging and reducing waste, which aim to address the biggest environmental challenges across our supply chain from the fields where our cotton is grown to how garments are disposed of. We know that our environmental journey will take time, but we are working towards developing a plan for each goal.

- Traceability: Continue to trace deeper into our supply chain with certified documentation showing the raw material source and transactions through our chain of custody.
- Raw materials: Increase our use of preferred raw materials such as Better Cotton, recycled polyester and eco vero viscose.
- Increase team awareness on our sustainability vision and key initiatives and successes.
- Energy: Using our new electricity data tool, continue to review and assess energy usage for reduction opportunities in head office, warehouses and stores. Review opportunities to use more green or solar energy.
- Packaging: Continue to reduce packaging where possible and work towards virgin free plastic packaging and the APCO 2030 targets.
- Carbon Footprint: Set science based emission reduction targets and report on these results in line with IFRS S2.
- Charity partnerships: continue to engage with our key charity partners to increase awareness and financial contribution.



Governance

Board oversight 78

Management oversight 81



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INSPIRED LIVING REPORT 2025

Introduction

Overview

Inspired Living
approach

Sustainability objectives
and progress

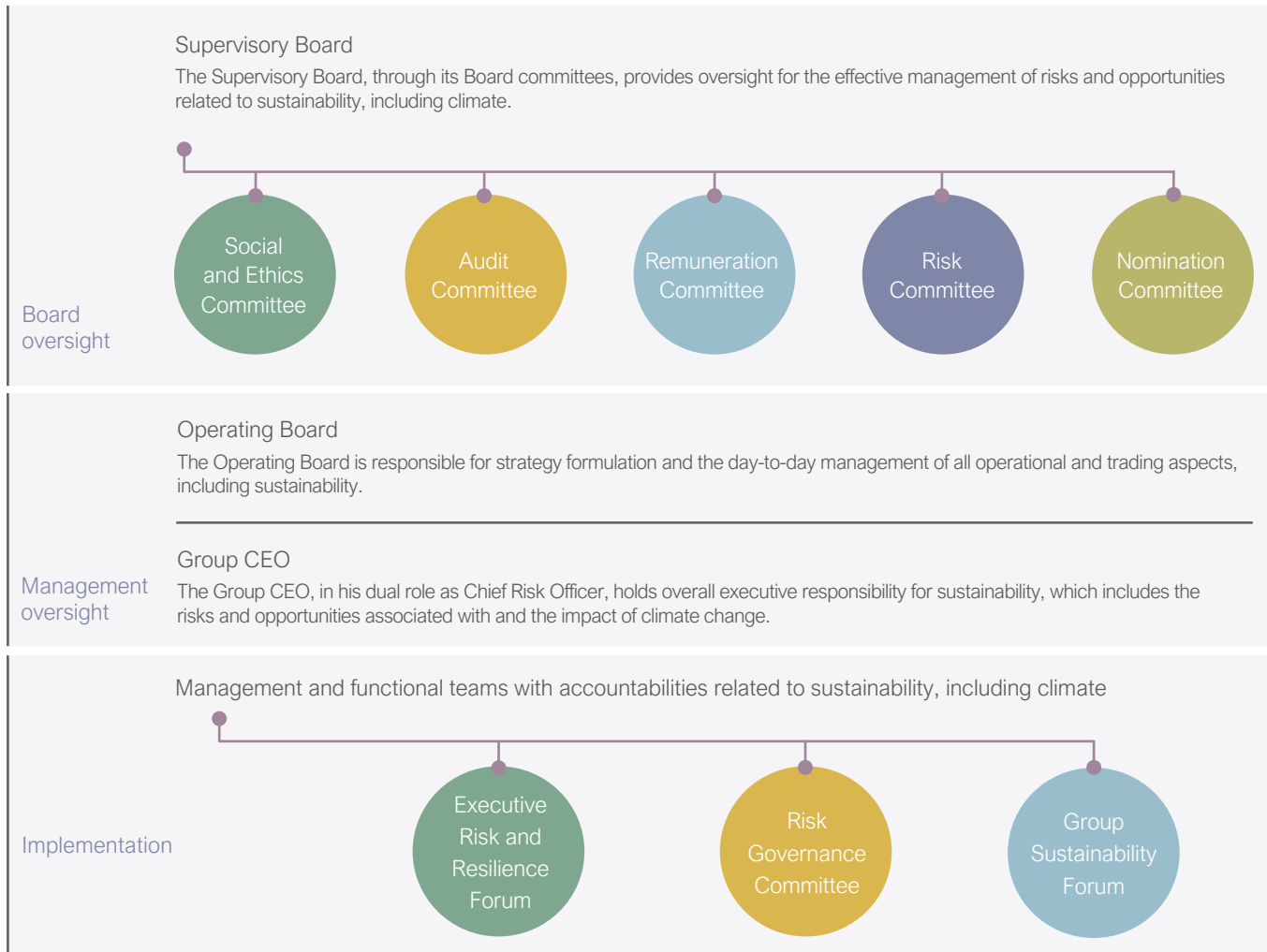
Governance Sustainability data

Appendices



Board oversight

Sustainability, including climate, is governed at TFG through a formal and mature ecosystem that incorporates the requirements of the Companies Act of South Africa and King IV, as required.



The Supervisory Board and committees are each governed by a formal charter that incorporates relevant sustainability aspects as set out in the Inspired Living Framework. These charters are regularly reviewed and updated. They outline the relevant authority, responsibilities, powers, composition and functioning of the Supervisory Board and its committees.

Our governance structure does not function in isolation. We have a structured process to integrate and respond to external stakeholder engagement through our sustainability strategy, which is encapsulated in our Inspired Living Framework. The framework is collaboratively developed by the three operating segments' sustainability teams.

The SEC monitors progress against the framework's objectives and targets. Continuous improvement is emphasised using feedback from internal and external engagements to refine and enhance our sustainability strategy.

| Board oversight

Supervisory Board

As the highest decision-making body responsible for the strategy, direction, leadership, governance, and performance of the Group, the Supervisory Board is ultimately accountable for sustainability, including climate-related risks and opportunities.

The Supervisory Board, assisted by the SEC, oversees corporate target setting, including targets related to sustainability, including climate change. This involves strategic planning sessions with key executives where sustainability targets are integrated into broader business goals.

The Supervisory Board mainly comprises non-executive directors, with the majority being independent.

Social and Ethics Committee

The committee is responsible for assisting the Supervisory Board with monitoring and reporting social, ethical, transformational and sustainability practices that are consistent with good corporate citizenship. It assists the Group in discharging its business responsibilities in relation to these practices. The committee informs the Supervisory Board on strategic, existing, and emerging sustainability risks and opportunities and other related material matters, including Group climate impacts, metrics, and targets.

The SEC monitors business responsibilities and the Group's standing in terms of the:

- United Nations Global Compact (UNGC) Principles.
- Organisation for Economic Co-operation and Development (OECD) corruption recommendations.
- Employment Equity Act.
- Broad-Based Black Economic Empowerment Act.
- Promotion of equality, prevention of unfair discrimination and reduction of corruption.
- Contribution to the development of communities in which TFG's activities are conducted, or within which our products are marketed.
- Record of sponsorship, contributions and charitable giving.
- International Labour Organizational Protocol on decent work and working conditions.
- Employment relationships and TFG's contribution towards employee educational development.
- External rating agencies.

The SEC is chaired by an independent non-executive director.

SEC composition

Racial diversity

67%

Black people

Gender diversity

33%

women

Independence

67%

SEC skills profile (number of directors)



We continue to track our sustainability performance and disclosure through external ratings, achieving the following scores:

- CDP score: Climate C (prior year: B-), Water B- (prior year: C), Forests (timber) C (prior year: C-) and Forests (cattle) C (prior year: C-).
- ISS rating: C- (prior year: D+)
- MSCI rating: A (prior year: A)



Audit Committee

This committee assists the Board in implementing internal controls and various assurance functions, including those relating to sustainability, including climate. The Audit Committee is tasked with input and governance over all risks that could impact the Group's financial position and financial reporting. This extends to climate and sustainability risks and opportunities if it has a material financial impact.

TFG London and TFG Australia have Audit and Risk Committees that report into the TFG Audit and Risk Committees.

Nomination Committee

The committee monitors the diversity of the Supervisory Board by reviewing its structure, size, and composition to maintain a mix of skills, experience, independence, and diversity including gender and race considerations. We aim to reflect the demographics of TFG's customer base and South Africa's economically active population. The Nomination Committee is chaired by an independent non-executive director.

We contribute to the development and sustainability of the ecosystem in which we operate through projects, regulations and initiatives in each business segment. Sustainability policies, position statements and regulatory disclosures are available on our website: www.tfglimited.co.za. A list of relevant policies, frameworks and partnerships is available in [Appendix 1](#).

Risk Committee

The committee informs the Supervisory Board on strategic, existing, and emerging risks and opportunities and other related matters, including Group climate impacts, metrics, and targets. The Risk Committee reviews reports related to significant risks, which may include those related to carbon emissions and energy use and discusses mitigation.

Remuneration Committee

The function of the committee is to review and provide recommendations on the adoption of TFG's remuneration policy, including KPIs and targets related to sustainability, including climate. To inform their considerations, the committee meets with the Group CEO, the relevant Group directors, the head of TFG remuneration, and external remuneration advisors. The committee also determines the remuneration policy and packages for executive directors and senior managers.

The Remuneration Committee is chaired by an independent non-executive director.

Read more about the members of the Supervisory Board and committees, their profiles including skills, experience and independence, and the respective charters and mandates on page 15 in the [governance report](#).

Sustainability and reward

Our remuneration approach and policy support the Group's short- and long-term strategies, including delivery on our sustainability objectives.

We aim for pay that is fair and equitable while differentiated according to defined attributes such as performance and proficiency. It also takes market demand and supply into account, which we benchmark according to pay ranges. We want store employees to have the opportunity to earn incentives at all levels and provide them with the necessary training and tools.

Our Single Incentive includes metrics that are aligned to sustainable sourcing of cotton and improving tier 2 fabric mills mapping in our supply chain. Performance indicators are further aligned to our commitment to job creation in South Africa via targets for youth employment opportunities as well as a Level 2 B-BBEE rating target.

Management oversight

Various management teams and functions take collective responsibility to implement the sustainability strategy and monitor progress against key performance indicators. These teams play an important role in identifying and addressing sustainability and climate-related risks and opportunities.

Operating Board

Strategy execution and the day-to-day management of TFG's operations are the responsibility of the Operating Board, which is chaired by the Group CEO. Management activities include the implementation of our Inspired Living Framework and tracking progress against objectives and targets.

Group CEO

The Group CEO holds overall executive responsibility for sustainability, including managing the risks and opportunities related to sustainability. The Risk Governance Committee informs the Group CEO of any significant climate- and sustainability-related issues, who in turn reports these to the Supervisory Board.

Reporting structures in TFG's business segments flow up to the Group CEO. He is informed on significant sustainability matters on a regular basis by the Group Chief Strategy Officer (CSO) and internal leaders as it relates to their respective business areas. The CEO is a member of the SEC.

Executive Risk and Resilience Forum and Risk Governance Committee

The Executive Risk and Resilience Forum considers current and emerging risks, including sustainability and climate risks, and related mitigations. This forum consists of senior executives representing various business divisions across the Group. The outcome of discussions and the required levels of assurance are tabled at the Risk Governance Committee meeting for their oversight. This committee includes the Group CEO and Chief Financial Officer (CFO). Significant matters and any revisions to risks are reported to the Risk Committee.

Group Sustainability Forum

The forum consists of sustainability representatives across TFG Africa, TFG London and TFG Australia and is led by the TFG Africa Head of Sustainability. The forum meets quarterly to operationalise TFG's sustainability strategy. It coordinates projects, tracks performance, and engages with stakeholders, reporting back to the Group CSO, who in turn reports to the Group CEO, who updates the Risk Committee and the SEC on significant sustainability matters.

Sustainability teams

In TFG Africa, the sustainability team reports to the Group Chief Strategy Officer. In TFG London, the Head of Corporate Social Responsibility and Sustainability, who manages sustainability, including climate impacts and performance, reports to the TFG London CEO, who in turn reports to the Group CEO. At TFG Australia, the sustainability manager reports to the General Manager, Shared Services who reports to the TFG Australia CEO, who in turn reports to the Group CEO.

Internal Sustainability Advisory Board for TFG Australia

In 2024, RAG established an internal Sustainability Governance Board, comprising senior business executives including the CEO, CFO and brand representatives, as well as senior members of our sustainability team.

This Board meets quarterly and has three primary objectives:

1. To review TFG Australia's alignment to our 2030 sustainability vision.
2. To keep the business accountable to the 2025 sustainability and sourcing KPIs.
3. To align TFG Australia's strategy with our sustainability vision, including discussing any large sustainable impact projects, upcoming legislation or industry movements.





Sustainability data

Sustainability data

Economic

Group performance indicators

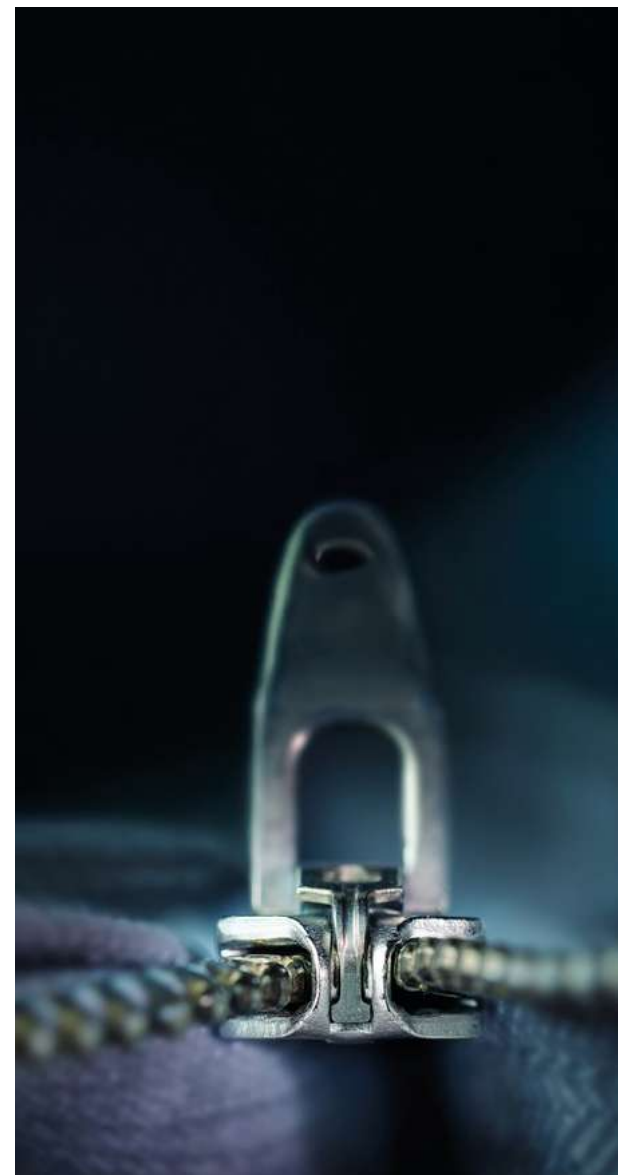
	2025	2024	2023	2022	2021
Retail turnover (Rm)	58 271	56 221	51 778	43 370	32 950
Operating profit (loss) before finance costs (Rm)	6 208	5 946	5 411	4 813	(719)
EBITDA (Rm)	12 140	11 579	10 438	9 127	6 515
Headline earnings excluding acquisition costs (Rm)	3 303	3 148	3 124	3 255	600
Earnings per ordinary share excluding acquisition costs (cents)	980,6	934,7	938,5	901,9	(614,0)
Headline earnings per ordinary share excluding acquisition costs (cents)	1 015,6	970,7	968,9	1 009,0	197,9
Distribution declared per ordinary share (cents)	390,0	350,0	320,0	500,0	–
Value added (Rm)	16 932	16 386	14 935	12 686	5 770
Total number of outlets	4 923	4 766	4 697	4 351	4 284

Environment

Group footprint

Scope 1 (tCO ₂ e)	4 149	9 901	4 421	4 073	3 750
Scope 2 – Purchased electricity (tCO ₂ e)	229 882	206 338	233 483	229 402	175 863
Total scope 1 and scope 2 (tCO₂e)	234 031	216 239	237 904	233 475	179 613
Scope 3 (tCO ₂ e)	584 516	297 796	196 836	173 061	61 216
Purchased goods and services (tCO ₂ e)	405 728	173 964	71 858	24 073	9 805
Capital goods (tCO ₂ e)	34 052	18 856	4 876	4 530	Not evaluated
Fuel and energy-related activities (tCO ₂ e)	35 896	29 220	29 118	72 508	17 676
Upstream transportation and distribution (tCO ₂ e)	20 844	15 989	39 793	39 561	24 871
Waste generated in operations (tCO ₂ e)	616	486	348	921	771
Business travel (tCO ₂ e)	6 405	7 839	4 051	2 898	797
Employee commuting (tCO ₂ e)	35 043	28 830	43 538	16 708	6 797
Upstream leased assets (tCO ₂ e)	672	1 246	822	333	481
Downstream distribution including WtT (tCO ₂ e)	31 254	19 631	1 529	4 436	Not evaluated
Use of sold products (tCO ₂ e)	–	997	Not evaluated	Not evaluated	Not evaluated
End-of-life sold products (tCO ₂ e)	14 006	738	903	7 068	Not evaluated
Downstream leased assets (tCO ₂ e)	–	–	–	25	18
Total scope 1, 2 and 3 (tCO₂e)	818 547	514 035	434 740	406 536	240 829
Non-Kyoto (tCO₂e)	232	141	214	1 601	1 362
Total emissions¹	818 779	514 176	434 954	408 137,0	242 191,0
Intensity: scope 1 & 2 tCO ₂ e / total employees	4,6	4,6	5,1	6,1	5,1

¹ FY 2024 emissions restated.



Sustainability data

Governance

Group metrics	2025	2024	2023	2022	2021
Number of environmental, health and safety and/or governance legal incidents	–	–	–	–	–
Whistle-blowing reports received	420	459	340	276	198
Number of directors on the Supervisory Board	13	14	13	12	13
Number of independent directors on the Supervisory Board	7	11	10	9	10
Number of female directors on the Supervisory Board	1	3	4	4	4

Social

Group performance indicators

Total number of employees	50 923	47 523	46 566	38 329	34 891
Permanent full-time employees	27 189	25 604	24 951	20 898	18 708
Permanent part-time employees	1 685	1 766	1 718	1 518	1 821
Flexi-time employees	14 579	15 190	13 303	11 116	10 010
Contract employees	4 481	1 996	3 553	2 403	1 932
Casual employees	2 989	2 967	3 041	2 394	2 420
Employee turnover (excluding contractors) %	24,6	24,7	29,9	31,5	22,6

Gender diversity

% female representation (all employees)	65,6	65,1	66,3	69,1	70,3
% female representation (executive directors)	–	–	50,0	50,0	50,0

% employees with disabilities

Employees with disabilities	1,5	1,7	2,3	0,7	0,6
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Employees with disabilities	782	800	1 076	257	219
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Employment equity (% representation of previously disadvantaged groups)					
Top management	14	17	29	29	29
Senior management	39	38	33	34	32
Specialists and middle management	69	68	68	68	64
Skilled technical and junior management	96	96	86	95	94
Semi- and unskilled employees	99	99	99	99	99

Investment in employee training and development

Total expenditure (Rm)	161	117	172	135	142
% of payroll	1,6	1,4	2,1	3,0	2,3
Total number of training interventions completed	624 693	655 957	890 268	256 627	226 166

Work-related fatalities

Number of classified injuries					
Number of days lost	4 357	3 852	4 039	2 062	2 982
Number of incidents	656	747	720	490	372
Number of incidents where days off were three or less	265	439	373	383	292

Number of workdays lost due to industrial action	–	–	–	–	–
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CSI total spend (Rm)	54,0	55,3	30,2	27,0	13,9
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Sustainability data

Group employee profile

Type of employment	2025	2024
Permanent full-time employees	53%	54%
Permanent part-time employees	3%	4%
Flexi-time employees	29%	32%
Contract employees	9%	4%
Casual employees	6%	6%

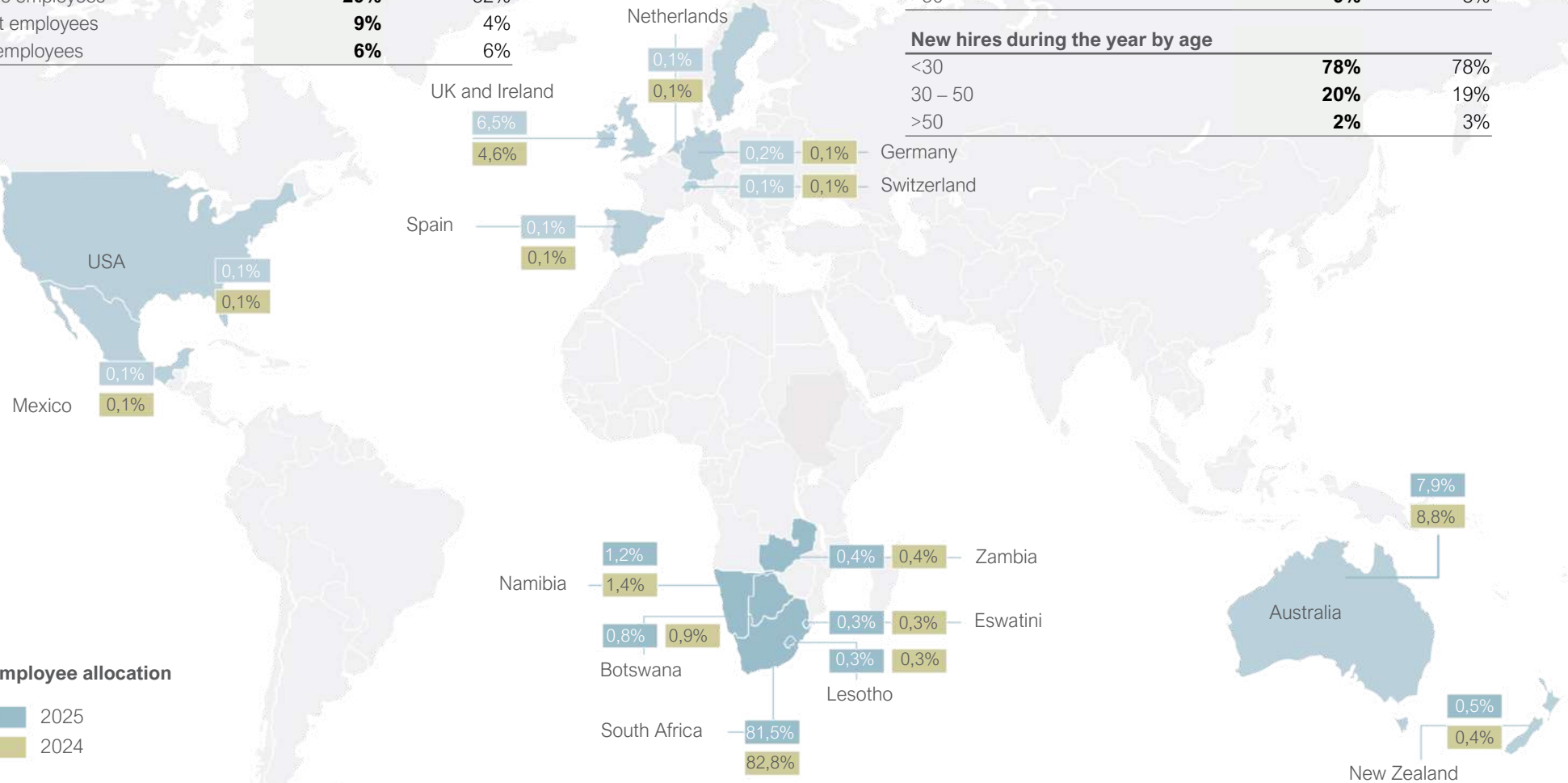
Age	2025	2024
<30	45%	45%
30 – 50	46%	47%
>50	9%	8%

New hires during the year by age

	2025	2024
<30	78%	78%
30 – 50	20%	19%
>50	2%	3%

Employee allocation

2025
2024



Sustainability data

South Africa employee profile

Racial profile of employees (South Africa only)	2025			2024		
	Male	Female	Total	Male	Female	Total
African employees	28%	45%	73%	28%	44%	72%
Coloured employees	6%	16%	22%	6%	17%	23%
Indian employees	1%	1%	2%	1%	1%	2%
White employees	1%	2%	3%	1%	2%	3%
Foreign employees	–%	–%	–%	–%	–%	–%
	36%	64%	100%	36%	64%	100%

Occupational level	Male				Female				Foreign	
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female
Top management	–	–	–	4	–	–	1	1	–	1
Senior management	27	9	19	81	15	12	11	60	–	2
Professional middle management	278	238	81	243	337	327	115	343	17	8
Skilled junior management	1 536	530	91	55	2 762	1 375	160	151	24	10
Semi-skilled workers	8 307	1 302	88	50	12 273	2 778	223	79	30	12
Unskilled workers	1 447	408	33	2	3 055	1 903	58	3	37	21
Temporary workers	192	46	4	2	160	87	5	2	–	–
Total South African employees as at 31 March 2025	11 787	2 533	316	437	18 602	6 482	573	639	108	54

Skills development (South Africa only)	2025	2024
Investment in employee training and development (Rm)	154,6	112,0
Number of employees trained	31 804	35 363
Number of female employees trained	20 229	21 864

Employees trained by occupational level (South Africa only)		
Senior and top management	0,7%	0,2%
Specialists and middle management	5,9%	3,5%
Skilled, technical and junior management	17,5%	9,0%
Semi and unskilled employees	75,9%	87,3%

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Policies, framework and influence

The TFG Supervisory Board is ultimately accountable for governance at TFG and therefore has oversight of the development, approval and updating of significant policies and frameworks related to economic, environmental and social impacts. The executive teams in each geography are responsible for the implementation of such, including compliance and controls. Each geography also has to consider local regulatory requirements and policy focus areas.

We participate in and comply with a range of projects, regulations and initiatives throughout our value chain in each territory. These affiliations increase our ability to contribute to developments and the sustainability of the ecosystem.

Policies

TFG Africa

- Anti-corruption Policy.
- Board and Board Committee charters.
- Code of ethical conduct.
- Conflict of Interest Policy.
- Disability Inclusion Policy.
- Diversity, Equity and Inclusion Policy.
- Elimination of Harassment Policy.
- Flexible Employee Hours Policy.
- Human Rights Declaration Policy.
- Hybrid Work Model Policy RSA.
- Leave Policy.
- Merchandise supply chain code of conduct.
- Migrant Worker Policy.
- Remuneration Policy.
- Sexual Harassment Policy.
- Whistle-Blower Policy.
- Various employee-specific policies.

TFG London

- Anti-bribery Policy.
- Cotton Procurement Policy.
- Equal Opportunity Policy.
- ETI Guidelines for Employment and Integration of People Displaced from Ukraine.
- Homeworkers Policy.
- Maritime Labour Convention 2006.
- Migrant Workers Policy and Implementation Guidelines.
- Neptune Declaration on Seafarers Wellbeing and Crew Change.
- Supplier code of conduct.
- Whistle-blowing Policy.
- Young Worker and Child Labour Policy.

TFG Australia

- Alcohol and Other Drugs Policy.
- Anti-bullying Policy.
- Code of Conduct Policy.
- Grievance Resolution and Whistle-blowing Disclosure Policy.
- Fair Work Information Statement.
- Information Technology Code of Use.
- Injury Management and Return to Work Policy.
- Parental Leave Policy.
- Respect At Work Policy.
- Telus Health.
- Unlawful Discrimination Harassment Policy.
- Vaccination Policy.
- Work Health and Safety Policy.
- Supplier code of conduct, aligned with ETI base code and Elements of the SAI SA1000 Standard: 2014.

Policies, framework and influence

Certifications and standards

TFG Africa

- Preference for FSC® certified products.
- Better Cotton.

TFG London

- Better Cotton.
- Preference for FSC® certified products.
- Leather Working Group.
- Recycled Nylon.
- Recycled Polyester.
- Responsible Alpaca Standard.
- Responsible Mohair Standard.
- Responsible Viscose.
- Responsible Wool Standard.
- Traceable Cashmere.

TFG Australia

- Better Cotton.
- Lenzing EcoVero.
- Australian Cotton.
- Recycled Polyester.
- Recycled Nylon.
- Preference for FSC® certified products.
- Australian Packaging Covenant Organisation.

Key partners we work with

TFG Africa

- Gift of the Givers.
- Proudly SA.
- SEDEX.
- SOS Children's Villages.
- Taking Care of Business.
- YES initiative.
- Safe-Hub.
- Red Cross Children's Hospital.

TFG London

- Anti-Slavery International.
- Better Buying Initiative.
- Ethical Trading Initiative (ETI).
- HomeWorkers Worldwide.
- Multi-Stakeholder Initiative Working Group on Responsible Purchasing Practices.
- Open Supply Hub.
- SEDEX.
- The Coalition to End Forced Labour in the Uyghur Region.
- The International Transport Workers' Federation (ITF).
- Transform Trade.

TFG Australia

- Australian Red Cross.
- Be Slavery Free.
- Beyond Blue.
- HeadSpace.
- Make-A-Wish.
- National Breast Cancer Foundation (NBCF)
- New Zealand Red Cross
- Qima.
- R U OK?
- Thread Together.
- Upparel.

| Policies, framework and influence

Legislation, regulation and principles

TFG Africa

- Basic Conditions of Employment Act.
- Broad-Based Black Economic Empowerment Act.
- Companies Act.
- Employment Equity Act.
- International Labour Organization obligations.
- JSE Listings Requirements.
- King IV.
- Organisation for Economic Co-operation and Development recommendations regarding corruption.
- United Nations' Sustainable Development Goals.
- UNGC principles.

TFG London

- Anti-Bribery Act.
- Common Framework for Responsible Purchasing Practices.
- Equal Opportunities Act.
- ETI Human Rights Due Diligence Framework.
- Health and Safety At Work Act.
- International Labour Organization obligations.
- National Living Wage.
- Organisation for Economic Co-operation and Development recommendations regarding corruption.
- UK Modern Slavery Act 2015.
- United Nations' Sustainable Development Goals.
- UN Guiding Principles on Business and Human Rights (UNGPs).
- UNGC principles.
- Working Time Directive.

TFG Australia

- Each state's work health and safety rulings.
- Fair Work Act, No. 28 of 2009.
- International Labour Organization obligations.
- Modern Slavery Act 2018.
- Organisation for Economic Co-operation and Development recommendations regarding corruption.
- UN Guiding Principles on Business and Human Rights (UNGPs).
- United Nations' Sustainable Development Goals.
- UNGC principles.
- Work Health and Safety Act, No. 127 of 2011.

Climate-related disclosure index

Governance

Recommended disclosure

- a. Describe the Board's oversight of climate-related risks and opportunities.
- a. Describe management's role in assessing and managing climate-related risks and opportunities.

Read more

[Governance report \(Climate governance\)](#)
[Inspired Living report \(Board oversight\)](#)

[Governance report \(Climate governance\)](#)
[Inspired Living report \(Management oversight\)](#)

Strategy

Recommended disclosure

- a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
- b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.
- c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Read more

[Inspired Living report \(Climate-related risks and opportunities\)](#)
[Inspired Living report \(Climate risks\)](#)

Risk management

Recommended disclosure

- a. Describe the organisation's processes for identifying and assessing climate-related risks.
- b. Describe the organisation's processes for managing climate-related risks.
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Read more

[Governance report \(Climate governance\)](#)
[Integrated annual report \(Our ERM Framework\)](#)
[Integrated annual report \(Our ERM Framework\)](#)

Metrics and targets

Recommended disclosure

- a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
- b. Disclose scope 1, scope 2 and, if appropriate, scope 3 GHG emissions and the related risks.
- c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Read more

[Inspired Living report \(Sustainability data\)](#)
[Inspired Living report \(Carbon footprint overview\)](#)
[Inspired Living report \(TFG London's decarbonisation roadmap\)](#)



Governance index

Our sustainability and climate governance structures and practices are integrated into the way we do business and respond to our stakeholders. We report on governance aspects where most relevant to our users of information.

Governance element	TFG context	Read more
Corporate governance and leadership	Our governance structures, process and practices to achieve the desired governance outcomes set out in King IV being an ethical culture, good performance, effective control and legitimacy.	Governance report (Governance structures and delegation)
Board diversity	Diversity in the Supervisory Board provides the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management of TFG. A truly diverse Board will include and make good use of different skills, regional and industry expertise and knowledge, experience, age, culture, background, race, gender and other distinctions between directors.	Governance report (Our Supervisory Board) Integrated annual report (Broader diversity – evolving governance for an inclusive future)
Risk management	TFG's ERM and combined assurance frameworks form the cornerstone of TFG's approach to responsible oversight of our business operations, strategy and performance.	Governance report (Enterprise Risk Management Framework) Integrated annual report (Our ERM Framework)
Accounting integrity and transparency	Transparent financial reporting provides investors with accurate information to make informed decisions about TFG.	Annual financial statements
Tax transparency	By reporting on our tax management and strategy in a transparent manner, we can provide information on TFG's contribution to governmental income and how we support government's functions.	Annual financial statements
Data protection and privacy	With increased digitisation, we have a responsibility to protect and secure our customers, employees and business partner information.	Governance report (Governance of technology and data)
Remuneration	TFG is committed to fair and responsible remuneration for employees. It has a Remuneration Policy that aligns with TFG's approved risk and governance framework and which optimises sustainable and long-term returns for shareholders.	Governance report (Remuneration report) Annual financial statements
Ethical business practices	TFG has a code of good ethical conduct that guides how we do business, maintain a workplace free from discrimination, establish fair and ethical practices for all employees and how we interact with external stakeholders and broad society.	Governance report (Our governance philosophy)
Anti-corruption	TFG has a zero-tolerance approach to fraud, corruption and other forms of crime or dishonesty.	Governance report (Our compliance) Anti-corruption policy
Stakeholder engagement	TFG's stakeholder engagement programme enables us to understand and be responsive to the interests and expectations of all stakeholders.	Integrated annual report (Our stakeholders)

Our SDG contribution

Our Inspired Living Framework aligns with the SDGs. We recognise that the 17 goals are interdependent and require partnerships and collaboration to make a real impact. We identified goals 8, 9, 12 and 13 as those where we can make the most impactful contribution.

Goals



Promote inclusive and sustained economic growth, full and productive employment and decent work for all

Targets

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

TFG contribution




- TFG employed 50 923 people (FY 2024: 47 523) and delivered turnover of R1,1 million per employee (FY 2024: R1,2 million per employee), thereby delivering economic growth.
- TFG made a R1,8 billion capital investment this year (FY 2024: R2 billion), with a focus on optimisation of existing stores.
- TFG Africa manufactures 82% of apparel and 46,5% of homeware and furniture locally in South Africa and the SADC region (FY 2024: 79% and 49%), driving small business growth, employment and empowerment.

- TFG invested R95,6 million in supplier and enterprise development in South Africa (FY 2024: R74,5 million).
- The Paymenow online assistance tool provides access and financial literacy support to employees.

- 4 239 jobs and workplace opportunities were added at TFG Africa this year (FY 2024: 2 381).

- 1 500 young people participated in the TFG YES programme (FY 2024: 1 200).
- 14 students were supported through TFG's bursaries and data scientist fellowships (FY 2024: 18).

Our SDG contribution

Goals	Targets	TFG contribution
 <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster</p>	<p>9.2 Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries</p> <p>9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets</p>	<ul style="list-style-type: none"> TFG is a signatory with formal commitments to the R-CTFL masterplan to increase local production and job creation in South Africa. TFG opened 181 new outlets (FY 2024: 272) in all three business segments.
 <p>Ensure sustainable consumption and production patterns</p>	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>	<ul style="list-style-type: none"> SME suppliers in South Africa have access to shorter payment terms and equipment assistance. Through our TymeBank partnership we offer financial products and services to more than 39 million current TFG Rewards members.
 <p>Take urgent action to combat climate change and its impacts</p>	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<ul style="list-style-type: none"> During the past year, TFG Africa, TFG London and TFG Australia sourced 39,6%, 73,3% and 51,2% of their cotton respectively as preferred cotton (2024: 29,3%, 81,7% and 50,7%). Waste programmes are in place for manufacturing and business waste, and we aim to send zero waste to landfill. We promoted sustainable fashion practices and zero-waste design techniques through TFG Africa's Sustainable Design Incubator. We contributed sleeping bags to a homeless shelter that were made from upcycled and recycled materials. Between 1 January 2024 and 31 December 2024, an estimated 616 million litres of water were saved thanks to TFG's sourcing via Better Cotton. TFG Africa recycled 71,5% of business waste across our sites, and 65,7% of textile waste across our manufacturing sites (2024: 70% and 72%). TFG Africa contributed R43,5 million of clothing and fabric to people in need (FY 2024: R24,5 million). TFG publishes an annual sustainability report and completes the CDP questionnaire. All three regions continue to track and report on scope 1, 2 and 3 emissions. The Group sourced 42,7% more sustainable cotton, a significant improvement on the prior year.

UNGC commitment

We apply the 10 principles in the United Nations Global Compact (UNGC) and report our progress in the four main areas:

Area	Business should	Progress
Human rights	<ul style="list-style-type: none"> a. Support and respect the protection of internationally proclaimed human rights. b. Make sure they are not complicit in human rights abuses. 	<ul style="list-style-type: none"> • Human rights declaration for employees in place. • Human rights statement for suppliers in place. • All suppliers are required to comply with UNGC as part of the onboarding process. • Code of ethical conduct in place.
Labour	<ul style="list-style-type: none"> a. Have the freedom of association and effective recognition of the right to collective bargaining. b. Eliminate all forms of forced and compulsory labour. c. Abolish all child labour. d. Eliminate discrimination in respect of employment and occupation. 	<ul style="list-style-type: none"> • The UNGC declaration is supported by related and relevant TFG HR policies and procedures. • Bargaining is done collectively within the unionised countries e.g. Eswatini, Zambia, Lesotho and South Africa (manufacturing sector). • A Group Human Rights Declaration is available to employees on the intranet and is circulated annually, which states the following under the Forced Labour and Child Labour section: <ul style="list-style-type: none"> ◦ Employees will not be subjected to any forced labour. ◦ Employees have the right to freedom of movement and accordingly their movements will not be unreasonably or unnecessarily restricted. ◦ TFG does not employ children below the age levels set out in any applicable national law. • There are procedures in place for employees to report any unfair discrimination and to lodge grievances regarding unfair discrimination without fear of victimisation. • There is a code of ethical conduct in place which applies to all employees and contractors for TFG. • The standard supplier terms and conditions include UNGC principles. • TFG London and TFG Australia published modern slavery transparency statements.
Environment	<ul style="list-style-type: none"> a. Support a precautionary approach to environmental challenges. b. Undertake initiatives to promote greater environmental responsibility. c. Encourage the development and diffusion of technologies that drive positive environmental impact. 	<ul style="list-style-type: none"> • The environment is formally recognised as a material stakeholder. • TFG publish its scope 1, 2 and 3 emissions annually in its Inspired Living report. • TFG submits a CDP questionnaire for Climate, Water and Forestry.
Anti-corruption	<ul style="list-style-type: none"> a. Work against all forms of corruption, including extortion and bribery. 	<ul style="list-style-type: none"> • Addressed in TFG code of ethical conduct and merchandise supply chain code of conduct. • Anti-corruption Policy and whistle-blowing facility is in place and published on the Group's website.

Abbreviations and acronyms

A2X	A stock exchange based in South Africa
AGM	Annual general meeting
AI	Artificial intelligence
B-BBEE	Broad-Based Black Economic Empowerment
Better Cotton	World's leading sustainability initiative for cotton
BOLTS	TFG's Strategic Pillars: Build out, Optimise, Leverage, Transform, Sustain
CDP	Formerly the Carbon Disclosure Project. CDP is a global non-profit that runs the worlds' only independent environmental disclosure system
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMT	Cut, make and trim
Companies Act	Companies Act of South Africa, No. 71 of 2008, as amended
Concessions	Concession arrangements with key department stores where an agreed floor space area is occupied. Applicable to TFG London and TFG Australia
CO₂	Carbon dioxide
CO₂e	Carbon dioxide equivalent
EBITDA	Earnings, excluding acquisition costs, before finance costs, tax, depreciation and amortisation
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
Executive directors	CEO and CFO

FY	Financial year 1 April to 31 March
FSC	Forest Stewardship Council® – the gold standard in forest certification. FSC® is trusted by NGO's, businesses, and consumers worldwide to provide solutions to protect our forests for future generations.
FY	Financial year
GHG	Greenhouse gases
Governance report	Detailed information on governance aspects aligned with the King IV™ principles
Headline earnings	Net income attributable to ordinary shareholders adjusted for the effect, after tax, of specific adjustments in terms of The South African Institute of Chartered Accountants (SAICA) - Circular 1/2023
Headline earnings – adjusted	Headline earnings adjusted for the impact of acquisition costs incurred
IAR	Integrated annual report
IFRS	International Financial Reporting Standards
ILR	Inspired Living report
JSE	Johannesburg Stock Exchange, based in South Africa
King IV	King IV Report on Corporate Governance™ for South Africa, 2016
KPI	Key performance indicator
kW	Kilowatts
kW/h	Kilowatt hours
m²	Metres squared
MT CO₂e	Metric tonnes of carbon

Abbreviations and acronyms

Omnichannel	Describes integrated multi-channel retailing (e-commerce, online sales, mobile app sales and stores)
Operating Board	CEO, CFO and executive management
Outlets	Combination of stores and concessions
QR	Quick Response Manufacturing, using own local manufacturing factories
RAG	Retail Apparel Group
R-CTFL	Retail, clothing, textile, footwear and leather
R-CTFL masterplan	Initiative by the Department of Trade Industry and Competition that aims to grow the South African retail industry with focus on clothing, textile, footwear and leather in collaboration with retailers, manufacturers, workers and government
Rm	SA Rand millions
SA	South Africa
SDGs	Sustainable Development Goals
SMETA	SMETA (SEDEX Members Ethical Trade Audit) is an ethical audit methodology that encompasses all aspects of responsible business practice.

Supervisory Board	Non-executive and executive directors of TFG
Tapestry	Homeware and furniture brands – Coricraft, Dial-a-Bed, The Bed Store and Volpes
TFG	The Foschini Group Limited, listed on the JSE
TFG Africa	Reporting segment trading in South Africa, Botswana, Eswatini, Lesotho, Namibia and Zambia
TFG Australia	Reporting segment trading in Australia and New Zealand
TFG London	Reporting segment primarily trading in UK and Ireland, with other operations in USA, Mexico, selected EU countries, Middle East, Hong Kong and Japan
TFG Rewards	Customer loyalty programme for South African customers
UK	United Kingdom
UNGC	United Nations Global Compact
YES	Youth Employment Service programme in South Africa
ZAR	South Africa Rand

| Company information

Company information

The Foschini Group Limited

Registration number: 1937/009504/06
JSE and A2X share codes: TFG - TFGP
ISIN: ZAE000148466 – ZAE000148516

Registered and Head office

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Company secretary

D van Rooyen, BAcc (Hons), CA(SA)

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Deloitte & Touche

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JD

Jet

JetHome

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Phase Eight

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JEANS

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SNEAKER
FACTORY

sportscene

STERNS
1974

The
bedstore

TAROCASH

TOTALSPORTS

VOLPES
THE HOUSE OF LUXE

WHISTLES

WHITE STUFF

yd.